

The Guardian
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Radio

Thursday September 5 1996

Algeria D 8.00	Hong Kong HK\$ 25	Osaka ¥ 100
Alexandria L 2.20	Hungary F 230	Pakistan R 70
Amman J 1.00	Indonesia Rp 195	Peru S 100
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Bangkok B 1.00	Jordan JD 1.25	Qatar Q 8.50
Bombay B 1.00	Korea S 150	Russia R 5.00
Buenos Aires A 1.00	Kuwait KD 0.50	Saudi Arabia R 10
Cardiff C 1.00	Labrador L 1.00	Slovenia S 100
Cairo E 1.00	Latvia L 1.00	Spain P 200
Chennai C 1.00	Lithuania L 1.00	Sweden S 100
Damascus S 1.00	Madagascar M 1.00	Switzerland SF 3.20
Dhaka D 1.00	Malawi M 1.00	Thailand B 100
Dublin D 1.00	Mali M 1.00	Turkey T 1.00
Geneva G 1.00	Morocco D 25	USA US\$ 2.75
Helsinki H 1.00	Norway N 16	

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NEWSPAPER OF THE YEAR
46,650

The trials of tennis

Graf in court (that's Peter, not Steffi)

G2 with European weather



Autumn Books

Unsworth, Spark, Thubron and Ackroyd

Books, G2 pages 8/9

OnLine

Hunting of the quark

G2 pages 10/13

Baghdad bows to the gun

Clinton claims success as Iraqis 'leave Irbil'

Mariam Shahin in Baghdad and Martin Walker

THE United States signalled an end to the Iraqi crisis last night, even as Baghdad's jittery air defences fired into the sky at what they claimed were allied planes. The Pentagon denied its aircraft were anywhere near the city.

A series of explosions set nerves jangling throughout President Saddam Hussein's capital last night. Iraq claimed it was a US missile attack, but the Americans were quick to blame panicky Iraqi gunners rather than US ordnance. "It's not us," the Pentagon said.

Speaking from the Oval Office, President Clinton announced that the US could now confirm that Iraqi forces were making significant withdrawals from around the Kurdish city of Irbil which they occupied last weekend, thus precipitating Operation Desert Strike.

"Our mission has been achieved," Mr Clinton said, suggesting with relief that he hoped the crisis could be ending after two days of cruise missile strikes. "This has changed the strategic situation."

Triggering memories of the Desert Storm air bombardment of five years ago, the Baghdad air defence barrage sent civilians hurrying to shelter yesterday during aerial clashes in the newly extended no-fly zone over southern Iraq.



This photograph released by the Iraqi media shows women and children in front of a house in southern Iraq allegedly destroyed by US air strikes

Iraqi MIGs hesitantly tested a US air patrol before making off, and an American F-16 jet attacked a radar site with an air-to-ground missile after an early morning flight of 17 cruise missiles were launched to finish the attempted destruction of southern air defences begun on Tuesday.

Residents of Baghdad, who had been looking forward to better days with the United Nations food-for-oil deal, spent yesterday once again huddled around radios and

televisions listening for news of the latest military strike.

A mood of frustration and disappointment gripped the capital after the second missile attack early yesterday killed one and wounded seven people in the southern provinces.

"The Americans are making it very difficult for us to remain indifferent to their aggression and their constantly changing rules," said Farouk Mahmoud, a retired member of the Iraqi Republican

Guard, President Saddam's elite troops. "Their cowboy attitude will not work forever, even if we are in a much weaker position."

Many Iraqis saw President Saddam's late-night meeting with his air force commander on Tuesday as an indication that the Iraqi leadership did not rule out retaliation. President Saddam announced on Tuesday that Iraq would ignore the no-fly zones and Iraq reserved the right to respond to military aggression.

Iraqis are annoyed at the US extension of the southern no-fly zone, making Baghdad the only city over which Iraqi forces are allowed to fly.

The strikes against the southern cities of Nasariyah, Kut and Iskandariyah on Tuesday and Basra on Wednesday increased feelings of insecurity in Baghdad. "Do you think they will bomb Baghdad?" was a question residents asked over and over again.

People in the capital have

been monitoring closely what they see as the dismemberment of the alliance against them. Iraqi papers have put much emphasis on the reluctance of former "enemy countries" such as Turkey and Saudi Arabia to allow US missiles to be launched from their territory.

"People feel the mood in the outside world is no longer as anti-Iraq as it used to be and that is encouraging," said Walid Hinawi, a textile shop-owner in Baghdad.

BSE 'took Britain aback'

Tim Radford Science Editor

ONE of Britain's leading scientists yesterday revealed that researchers and ministers had been caught "unawares" by the BSE crisis in March.

His words — dealing with the role of science in public life — reinforced what some have claimed for years, that ministers had not been taking the epidemic of bovine spongiform encephalopathy in British herds seriously.

In the first decade of BSE in British herds, agriculture ministers reduced research spending by 25 per cent.

Sir Ronald Osburgh, rector of Imperial College and formerly a Ministry of Defence chief scientist, raised the matter of public investment in science that might or might not seem important. The national shutdown of a £500 million beef export industry in March was a case in point.

"BSE really caught us unawares," he said. "There had not been that much work on BSE-related conditions before the BSE outbreak. Relevant work had been going on in a few places in a rather academic way. Overnight, it became absolutely vital."

BSE was identified in British dairy herds in 1986, and although there were fears of a link with Creutzfeldt-Jakob Disease (CJD) in humans, ministers repeatedly assured the public that there was no risk of "catching" CJD from British beef.

They stopped making such assurances on March 20 this year, in a dramatic moment during national science week.

Sir Ronald said that one problem was that scientists could only offer probabilities. "What ministers would like is a firm yes/no. But science is really no different from any other branch of human activity. Occasionally there are clear black and white answers, but very often not."

Crisis countdown

- Saddam Hussein moves planes north of extended no-fly zone
- US launches 14 cruise missiles in second attack
- F-16 attacks Iraqi missile battery after its radar locks on to the jet; two Iraqi MIGs briefly take to the air against the US warplanes
- Russia says the US bombing sets a dangerous precedent; in Washington the Defence Secretary Michael Ponito calls the attack moderate and appropriate
- Anti-aircraft fire in Baghdad; US denies it has attacked the capital
- Turkey announces plans for security cordon inside northern Iraq
- Clinton says US mission in Iraq has withdrawn its forces from the northern Kurdish area



While commentaries in local papers urged Iraqis to resist foreign aggression with their "nails and teeth", people in Baghdad rushed to stock up on goods which quickly increased in price as the spread of the air strikes on three cities.

Iraqis, who have spent five hard years under international economic sanctions, had begun looking forward to the UN brokered food-for-oil deal which was scheduled to take effect this month.

"Things have been becoming better and we are happy not to have war for a while," said Sawsan Sousa, an Iraqi woman who added that all she had known was war since her high school graduation in 1980. "We had two wars and then the economic embargo. We want this to end."

Iraqi crisis, pages 7; Letters, page 8; Commentary, page 9

UK funds Serb war criminal

Julian Borger in Sarajevo

AN INTERNATIONAL organisation, partly funded by the British government, is bankrolling the election campaign of a notorious Serbian warlord responsible for the war's first wave of ethnic cleansing in which thousands of Muslims were slaughtered.

The Organisation for Security and Cooperation in Europe (OSCE), which has the job of ensuring the Bosnian elections on September 14 are fair, is giving £150,000 towards advertising for the extreme nationalist Serb Unity Party. The party is run from neighbouring Serbia by Arkan, a paramilitary commander involved in some of the worst excesses of the war and named by the United States as a war criminal.

His smiling face looks down on Serb voters from thousands of campaign posters funded by the OSCE, which has also helped to pay for pamphlets advocating partition of Bosnia — contrary to last year's Dayton peace accord.



Arkan: Involved in worst excesses of Bosnian war

The money is being paid out of a £2.4 million fund, of which £1.8 million was provided by the German government. The balance is funded by other OSCE members. Britain has given £4.4 million towards the OSCE's mission in Bosnia, but Foreign Office officials said last night they were unsure whether British money had been used directly in the campaign fund.

The OSCE yesterday defended the payout in the interests of free speech. Jean

Quellet, responsible for supervising Bosnian parties, said: "The political campaign funding is basically for all political parties to get their message across. We may not agree with some of them, but we cannot censor them. There is still the right to free speech in this particular country."

Arkan — real name Zelko Raznjatic — is wanted by Interpol and seven European countries for bank robbery and theft. But his pre-war criminal record pales into insignificance compared with his wartime activities.

In April 1992, his personal militia, the Tigers, rampaged through the eastern town of Bijeljina. Killing Muslim civilians and starting ethnic cleansing in Bosnia. In September 1995, a few weeks before the war ended, the Tigers conducted a final purge of western Bosnia, pulling Muslim men off buses to kill them.

OSCE funds have also been given to the ruling Bosnian Serb party, the SDS, which orchestrated ethnic cleansing throughout the war.

Bosnians seek role, page 6

Blair sparks tax battle

Larry Elliott, Michael White and Simon Beavis

THE three main political parties fired the opening shots in the long pre-election battle over tax yesterday as Labour displayed its pro-business credentials with pledges to soften the impact of its social policies and cut taxes.

Tony Blair coupled his aim of a new 10p starting rate of income tax with an attempt to assuage business fears about the minimum wage and the European social chapter.

Labour's tax plans were immediately denounced by the Conservatives. John Major said on a visit to Derbyshire: "The day the Labour Party become tax cutters you will hear cats bark and not before."

The Tories will return to the offensive today when they relaunch the controversial demon eyes campaign. Posters will show the eyes appearing in voters' purses and wallets.

Mr Blair told a gathering of 400 business leaders that there was no question of a return to penal tax rates



under Labour, adding: "There were no proposals in our manifesto that require rises in personal taxes."

Instead Labour hopes to convince voters that it is the party of fair taxation by contrasting its proposal for a 10p band with the Conservative objective of abolishing capital gains and inheritance taxes, measures which would benefit the better off.

Michael Jack, the financial

secretary to the Treasury, said Labour's plan would cost £8 billion and dismissed it as "simply an aspiration, an ideal, a soundbite with no substance, their usual menu without prices".

Responding to the taunts that it was "economically illiterate", Labour stressed that it had no intention of introducing the lower rate in one go, and Gordon Brown, the shadow chancellor, said he would cut tax only when it was prudent to do so.

Labour would be more likely to follow the example of the Conservatives and move towards a lower rate in incremental steps. It would start by applying the rate to only a fraction of taxable income, perhaps as little as 5000.

Labour's new compact with business, set out in a glossy brochure that is being sent to 10,000 firms, boiled down to five key commitments — a tough stance on public spending and inflation, engagement with Europe, boosting education, to page 2, column 5

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Police forces paying £70 to informants are showing large reductions in the numbers of house burglaries.
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World News
French teachers and other school staff will strike today over job and budget cuts, opening the way for a new showdown.
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Finance
The assets of the manager being investigated over investment fund irregularities at Morgan Grenfell are to be frozen.
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Sport
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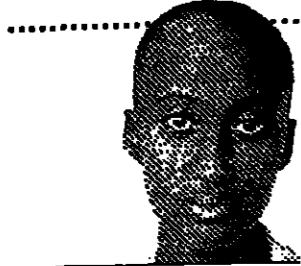
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Sketch

Burglars face a rude awakening



Hannah Pool

THE Sweeney it wasn't. Half a dozen tired, bedraggled police officers waiting patiently in two cars at six in the morning. Ready for action. Ready to ram down a terrace door...

Once there, the 2ft red metal battering ram is brought menacingly out of the car boot. Only one officer has been trained to use the tool and he is not going to let it out of his hands.

The officers were among the 1,700 police who yesterday raided 700 properties in London as part of Operation Bumblebee...

Review

A kind of truth in a relative world

Lyn Gardner

Blinded by the Sun Cottesloe, Royal National Theatre

THERE is something positively Jacobean about Stephen Pollakoff's latest play, half mystery thriller and half revenge tragedy...

In a final act of either inspiration or revenge, the retiring head of department appoints Al, an unsuccessful scientist but efficient administrator...

Worry grows over nurses

David Brindle, Social

NURSING leaders are to call on hospitals and nursing homes to act on the causes of a growing number of complaints against nurses for misconduct...

How Netanyahu faced up to political reality . . .

"I will not meet with Yasser Arafat." - February 5

"I don't want to, and I hope I never have to." - February 28

"I am not happy about meeting Arafat, but if it seems essential for security to do so, I will consider meeting with him." - April 21

"If I thought this was needed for the security of Israel I would do it. . . I don't rule it out." - June 26

"I don't think it is worthwhile to hold a meeting that is just ceremonial. I want the meeting to be purposeful. When the time comes, it will indeed take place." - August 25

A meeting "is dependent on specific developments which I hope are in the making. This means that when the developments happen, there will be a meeting." - September 1



Israeli prime minister Binyamin Netanyahu (left) and Palestinian president Yasser Arafat shake hands for the cameras at their first meeting yesterday

Arafat shaken but not stirred

Token gesture sums up stalled peace process

Derek Brown in Jerusalem and Jessica Berry at the Erez crossing

THREE years ago, Yitzhak Rabin and Yasser Arafat captured the imagination of the world by shaking hands on the White House lawn.

The peace partners - for so they are, despite appearances - rose on opposite sides of the table, each flanked by glum-looking aides.

The Israeli prime minister, who had sworn before the May general election never to meet the man he insisted was an unreconstructed terrorist, was on his best moderate-sounding form.

Well-informed diplomatic sources said the Palestinians had tried until the last to insist that every part of the existing agreement, negotiated with the last Labour-led Israeli government, should be implemented.

Mr Arafat, however, is a man incapable of discourtesy, especially on a public stage. He had been offered a lecture bigger than Mr Netanyahu's, but had to turn it down on the embarrassing grounds that it hid him from view.

Israeli soldiers will stay in a substantial part of the city to guard the 400 or so Jewish settlers while Mr Arafat's PLO forces will be humiliatedly confined to a truncated semi-autonomous area.

Hermit family plotted suicide

Lawrence Donagan

A CORONER called for social services to be given increased powers of investigation yesterday after an inquest into the death of a 29-year-old woman who lived like a hermit for more than 15 years, dominating her family.



Karen Morgan before her withdrawal, aged 13

The coroner, Paul Rose, said social services should have investigated such cases. "It appears they have no power to intervene in this situation because nothing untoward was happening. This should be looked at in the light of this case."

Parents bow to prepare food before bringing it to the unfurnished room where she lived. "She dominated her family with rituals before she would eat, and wouldn't let them watch certain TV programmes," Mr Harall said.

Labour's 10p pledge opens election war over tax

continued from page 1 tion and skills, promoting small business and improving the infrastructure in partnership with the private sector.

Advertisement for General Accident Direct insurance, featuring a hand holding a coin and text: PAY YOUR MOTOR AND HOME INSURANCE BIT BY BIT, INTEREST FREE.

مکان الیوم

MoD's spy computers face sell-off to save cash

Richard Norton-Taylor

PARTS of Britain's intelligence services, the last taboo of the Government's privatisation programme, could be put out to tender in an attempt to save money and increase efficiency.

Ministers are to be presented with a plan to offer private companies the task of running multi-million pound computer systems of the Defence Intelligence Staff which is responsible for collecting and analysing information on weapons proliferation, arms sales and military conflicts abroad.

David Clark, Labour's defence spokesman, said yesterday the proposal showed the Government had gone "privatisation mad". It was willing "to put profits before the defence of the realm", he said.

"Even knowledge about how an agency is administered tells you a lot about it," a defence analyst warned.

The proposal is part of the Government's Competing for Quality programme, which tests the cost of services provided in-house with prices that would be charged by outside suppliers.

bridgeshire, which interprets images from spy satellites.

Bidders for the work are likely to include IBM and EDS, the US-based company which runs the Inland Revenue computer system.

The agency, in common with the rest of the Ministry of Defence, has had unhappy experiences with new technology. Problems in installing and maintaining new computers in the DIS headquarters in Whitehall led to huge increases in expenditure.

The DIS has also been accused in Whitehall of spreading its net too wide, assessing economic and political intelligence which is the task of other agencies.

The MoD yesterday played down the significance of the move, saying any privatisation would be limited to "administrative support" and would have nothing to do with national security. However, officials acknowledge that the distinction the ministry makes between core and non-core activities in the DIS is a false one.

They say, for instance, that it is difficult to separate the task of installing computer programmes from the processing of highly classified data. Even the DIS payroll — innocuous on the face of it — contains sensitive material, including the names of DIS staff.

In a statement last night, the MoD said that employees from private firms which successfully bid for new Defence Intelligence Staff contracts would be vetted. "Vetting will be firmly under government control," it said. Existing DIS staff could be transferred to the companies involved, according to Computer Weekly.

This year GCHQ, the electronic eavesdropping centre in Cheltenham, contracted out engineering work to two companies, Vosper Thornycroft and a US firm, ManTech Advanced Systems International.



Alexander Goudie with one of his pictures of Tam O'Shanter's kirkyard adventures — dismissed as 'good illustration, but not great art' by one critic

PHOTOGRAPH: MURDO MACLEOD

Painter's mirth and fun at critics

Scottish artist who is no 'trendy Damien Hirst figure' could make £600,000 from 57 works on a Burns theme



Timothy Clifford: Paintings have 'fire and enthusiasm'

Erlend Clouston on a bulk purchase

AS PRESS previews went, it was fairly depressing. Alexander Goudie, a Glasgow artist, had spent more than £20,000 setting up a two-week exhibition of his cycle

of works inspired by the Robert Burns's poem Tam O'Shanter.

Instead of entertaining a stream of fawning critics in Edinburgh's grandiose Freemason's Hall, the distinguished 62-year-old painter

had to settle for a solitary freelance photographer.

"He took one look and then said he hadn't realised that Burns was such a prolific painter," Mr Goudie recalled, fingering his crimson bowtie in a slightly pained way.

"We began to wonder if the whole thing was doomed," added his agent, Iain Clark. "We'd asked banks and companies for help, but nobody would give us a penny."

Yesterday it was all so different. Mr Goudie was savouring a crushing victory over the "intellectual mafia" critical of his figurative style, and Mr Clark was eagerly calculating the agent's cut on £600,000. In one of the flamboyant coups for which he is celebrated, Timothy Clifford, director of the National Galleries of Scotland, liked what he saw on a visit to the Freemason's Hall, and reserved the entire 57-

strong collection. Yesterday he announced his intention to ask for lottery help in the purchase of a show whose catalogue value is £680,000.

Even with a bulk order discount it is certain to represent the National Galleries' record investment in a living Scottish artist.

It was immediately denounced as "a populist move" by Professor Duncan Macmillan, curator of Edinburgh University's Talbot Rice art gallery and the Scotsman's art reviewer. He said the Tam O'Shanter sequence was "good illustration, but not great art," and criticised the mass purchase as "grotesquely out of proportion to anything that has ever been done for the nation's art before."

But Mr Clifford said the paintings had "that fire and enthusiasm that Handel must have had when writing the Messiah".

Despite living off his art for the past 20 years, and selling paintings to, among others, Prince Philip and Billy Connolly, the former lecturer's figurative style has not always appealed to the Scottish arts establishment. In 1987 he secured Britain's biggest post-war art commission, the designs for murals, crockery, carpets and duty-free bags on one of Brittany Ferries' cross-Channel boats.

Mr Goudie said yesterday: "All my life I've been supported by individuals, almost never by institutions," adding: "I only hope the people of Scotland who are pressing this matter will not be put down by the opinions of one or two members of the intellectual and aesthetic mafia."

Mr Goudie's output was stoutly defended by Mr Clark who said: "He's not a trendy, Damien Hirst figure, but he's popular with the public and can move

point around like no many people can these days."

The purchase represents a switch of ethnic tack by Mr Clifford who has been under fire for helping to raise the £9.6 million which saved Canova's statue of The Three Graces and last month a Gauguin painting for the nation.

All but four of the Burns cycle were executed in a year. Based on sketches for a still-born book project, they trace O'Shanter's adventures with alcohol and supernatural ravens in Alloway kirkyard. Most feature his gallant mare, Meg, prompting Mr Goudie to complain yesterday: "If you paint things like horses, there are people who think they are too whimsical a theme."

The Burns cycle will go on display at the National Gallery of Scottish Art, due to be opened in a former Glasgow post office before the end of the millennium.

GEC backers gun for Rees-Mogg

LISA Buckingham

Lord Rees-Mogg, the former editor of the Times and a member of a number of top boardrooms, is expected to be sacrificed in the row between GEC and its major City shareholders over the huge pay package for incoming managing director George Simpson.

Leading investment groups are thought to have secured an understanding that the electronics and engineering giant will overhaul its remuneration committee, chaired by Lord Rees-Mogg, as a result of the fracas over the pay deal, which could be worth up to £10 million over five years. The issue is certain to be raised at tomorrow's annual meeting of GEC.

A senior investment source told the Guardian yesterday: "The institutions expect to see changes in the remuneration committee as evidence that it will be doing its job better in future."

"Shareholders want to see change and, as chairman of the committee, it could be that Lord Rees-Mogg's head will be demanded."

Lord Rees-Mogg has been on the board of GEC since 1981. He heads the remuneration committee — which approved the package for Mr Simpson — alongside GEC's chairman, Lord Prior, and other City alumni.

Investors can protest tomorrow by voting against the re-election of another member of the remuneration committee, but it is understood they consider this too small a prize.

Instead, investors — the insurance and pension fund groups which own more than two thirds of all shares — want more significant changes which indicate the committee will not be bulldozed in future.

Shareholders have already forced the company to climb down on the terms offered to Mr Simpson to ensure any multi-million pound bonuses are more closely tied to the group's performance and they determined to pull it more into line with accepted corporate governance behaviour.

It is understood, however, that GEC will not use the meeting to announce changes to its remuneration committee. As happened following the showdown over remuneration for Cedric Brown at British Gas, the company appears to have been put on notice that action is expected in the coming year.

Shareholders are increasingly convinced Mr Simpson's earnings package was presented as a *fait accompli* to the committee which failed to ask tough enough questions about the criteria for bonuses and did not foresee the resulting brouhaha and confrontation with shareholders.

£10m 'leg-up' fails to save firm

Board warned of unsafe investment

Vivek Chaudhary in Belfast

ACOMPANY which received £10 million of government money to set up a factory making compact disc cases in Northern Ireland said yesterday that it is to close less than two years after opening.

At its peak, Benelux, in Limavady, County Londonderry, employed 220 people which means the Government's grant worked out at about £450 per worker.

The Internal Development Board (IDB) gave the money to the Hong Kong-based company in return for a promise to create 300 jobs and regenerate an economically depressed area with a male unemployment rate of 20 per cent.

The cash does not have to be repaid by the company and the IDB had been warned before awarding the grant that it was an unsafe investment.

Workers said the factory, which opened in October 1994, had been plagued by production and marketing problems. It is to close tomorrow and has already laid off 100 workers.

The closure is the latest in a long line of failed business ventures in the province that had been set up with government funding. Last year, a German textile company near



Benelux's factory, closing tomorrow PHOTOGRAPH: KELVIN BOYES

Limavady closed with the loss of 300 jobs.

An economist, George Johnson, said Benelux promised to capture up to a quarter of the European market in CD cases. He said on local radio: "There are very serious questions to be asked. I had warned the IDB it was investing a lot of money in a risky business. My concern was that the correct market research had not been done."

William Ross, the Ulster Unionist MP for the area in which Benelux is located, plans to raise the issue of IDB grants with the Northern Ireland select committee.

He said: "The IDB needs to

review its procedures and make sure it is investing in sound businesses. Ten million pounds is a lot of money and this is not the first time this has happened in Northern Ireland. I don't think these grants are being thought out properly and a lot of money is being wasted. I have visited the factory — the whole thing is very impressive but it's no good to anyone now."

"A lot of people gave up other jobs to go and work at Benelux. It's not as if they can get another job because there aren't any around here."

Sharon Douglas, aged 31, who was unemployed for four years before getting a job as a

- Ulster's costly collapses**
- 1994 — Hualon: The Taiwanese textile group would have created up to 2,300 jobs had its £160 million plant, backed by a £61 million government grant, gone ahead. But when 24 executives were charged with fraud in Taiwan, the Northern Ireland Office appeared to get cold feet.
 - 1989 — Short Brothers: The privatisation of the province's largest employer cost the taxpayer £900 million. The Government, which hoped for net costs of £800 million, sold the aircraft manufacturer for £30 million. Earlier this year Shorts' latest owner, Fokker, filed for bankruptcy, putting 1,000 jobs at risk.
 - 1987 — London Refurbishing Company: Minutes before a £60 million investment, bringing up to 4,000 jobs on the De Lorean car factory site was due to be announced, it emerged that the company's project manager was an undischarged bankrupt who had served a three-and-a-half year sentence for deception. The Government's £2 million support for the scheme was withdrawn.
 - 1984 — Lear Fan: Production of a revolutionary eight-seater aircraft was supposed to bring 2,800 jobs. When the company collapsed, 400 lost their jobs and the Government a £56 million investment.
 - 1982 — De Lorean Cars: Crashed with the loss of £77 million and more than 2,000 jobs. Only 8,333 cars were built. Founder John De Lorean, whose vision was to create 2,400 jobs — which the Government hoped would help head off support for the IRA — was later acquitted on charges of fraud and cocaine trafficking.
 - 1981 — Courtaulds: The closure of a second of its factories in the province within a month brought the total of jobs lost at the firm's Ulster arm to 1,000. The latter development, at Campsie, cost £50 million to establish. The Government paid £20 million of the bill.

Should murderers suffer for years or minutes?

The death penalty. Is it legalised murder? Or is it justifiable revenge? Find out Polly Toynbee's view in this week's Radio Times.

Radio Times

IT'S NOT WHAT YOU EXPECT.

From 1982, when the 13-year-old Steffi made her professional debut, until last year, the tennis star's earnings were estimated at 152 million marks (£66 million) on which by last year only 10 million marks tax had been paid in a country where the top rate is 53 per cent.

Ian Traynor, Q2 cover story

PRICES & CONTENTS 000 121 004

News in brief

BSE blamed for farmer's suicide

A FARMER shot himself because he feared the BSE crisis would devastate his business, an inquest at Richmond, North Yorkshire, was told yesterday. The body of cattle and sheep farmer William Rodney, aged 49, was found by a farmhand in a sheep pen in May with a 12 bore shotgun by his side. The inquest was told he was troubled by the BSE crisis and feared he would be unable to sell the 200 cattle he had reared at Leighton Hall Farm, Haaley, part of the Earl of Swinton's estate. The day before his death Mr Rodney visited the local cattle market to check on prices and was devastated to see them a fraction of what he expected. His widow Wendy, 46, said: "He never talked about the problem, though I could see he was worried. He carried everything on his own shoulders." Recording a verdict of suicide, the coroner, Jeremy Cave, said: "It seems he took his own life due to a combination of real concern about BSE, linked with the disappointment of his visit to the cattle mart the day before."

Boy died awaiting ambulance

A BOY lay dying in the road as an ambulance was sent to the wrong village 18 miles away after an error in the control room, an inquest was told yesterday. James Dean, aged 14, was holidaying with his grandparents at a caravan park in Brompton-on-Swale, near Richmond, North Yorkshire, in April when he was knocked down by a van. After the inquest at Richmond recorded a verdict of accidental death, his family, from Hull, said they would consider legal action against North Yorkshire Ambulance Trust. The inquest heard that a human error in the ambulance control room led to the nearest emergency vehicle being sent from Northallerton to the wrong Brompton, 18 miles from the accident. The ambulance service, realising the mistake, ordered a different vehicle from Catterick two miles from the scene 40 minutes after the accident. The coroner, Jeremy Cave, was unable to say whether James would have lived if the mistake had not been made.

Rally warned on terrorism

THE Home Office yesterday warned Islamic fundamentalist organisers of a rally to be held in London on Sunday that statements made in support of terrorism would not be tolerated. "This rally will be monitored and anyone who breaks the law, whether by their statements or actions, will face prosecution," the Home Office said in a statement. The Government has been under pressure from countries — including Egypt and Algeria — to ban the Rally for Revival, organised by a group which advocates the creation of a worldwide Islamic state and violent revolution to overthrow the governments of every country in the Middle East. The event, at the 12,000-seat London Arena in Docklands, is expected to feature videotaped messages from some of the world's most notorious terrorists. Speakers at the rally will include Mohammed al-Masari, the Saudi dissident recently given leave to remain in Britain after the courts overturned an attempt to deport him.

Which? attacks GP ads

ADVERTISEMENTS urging people to think twice before calling out a GP are confusing and wrong, the Consumers' Association magazine Which? says today. People could be deterred from seeking medical help when they need it, it warns. The £2.75 million advertisements, funded by the Department of Health and backed by the British Medical Association, are designed to cut the number of frivolous calls to doctors. But Which? says there is no evidence that such abuse of the system is commonplace. It argues that the department is confusing and alarming people who at other times are advised to seek medical advice promptly if they are worried. — David Brindle

Rolling Stone car to be sold

A 1966 Bentley bought by the Rolling Stones as a "company car" for Keith Richards is to be auctioned by Christie's at Beaulieu, Hampshire, on Saturday. The Bentley 53 Continental Flying Spur, used daily by Richards, is expected to fetch about £40,000.



Ian Livingstone, a collector of Guinness advertising material, has a farewell drink with one of his pieces, due to be auctioned at Christie's on September 11. PHOTOGRAPH: KIPPA MATTHEWS

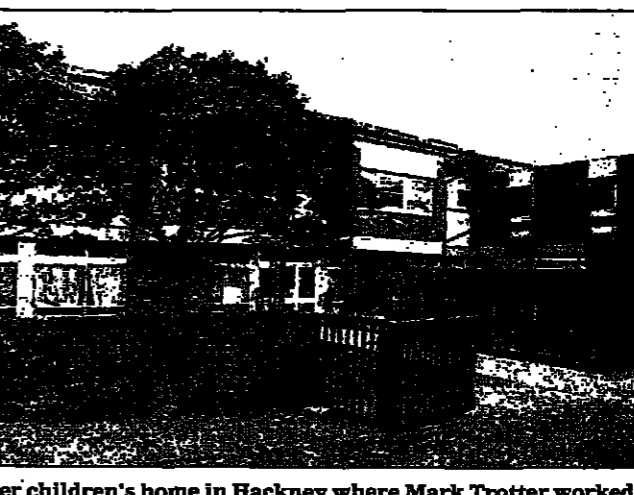
Scandal of abuse 'cover-up'

Sarah Boseley reports on council chief's call for inquiry into allegations against social worker who would have been prosecuted if he had not died from Aids

THE chief executive of one of London's poorest and most politically troubled boroughs has recommended an independent inquiry into allegations that a social worker may have sexually abused children in his care, and accusations that the council either mishandled or tried to cover up the affair. Mark Trotter died of Aids-related pneumonia in July last year, aged 34. Had he lived, Merseyside police say they would have prosecuted him for sexually abusing five boys in 1980-81 when he was living and working in a children's home in Liverpool. Trotter left Liverpool for Hackney, east London, where he became a residential social

worker at the Trowbridge House children's home. He lived on the premises with his partner, Bob Barthram, until the home was closed in 1985 under the council's policy of getting children out of institutions and into foster homes. He then became a field social worker — still with contact with children — until his death. In December 1981, months after Trotter joined Hackney, and again in January 1982, he was investigated by the social services department following separate allegations of interference and indecent assault. In December 1984 and January 1989 there were more sexual allegations. Nothing was proved, and Trotter, a Labour Party activ-

ist well known to many councillors, was allowed to continue working with children. Some considered the charges no more than "gay-bashing". Trotter's name had meanwhile come up in Merseyside, where police were involved in a big child abuse inquiry with Cheshire. They found paedophilia was rife in children's homes in both areas. Detective Superintendent Albert Kirby, who led the Jamie Bulger inquiry, is proud of the way they worked closely with social services and the fact that three former care workers from Liverpool were jailed for 15, 13 and 10 years. In July 1995, two weeks after Trotter's death, Merseyside police traced him to London. "We had five very serious allegations of sexual abuse, gross indecency and buggery," said Superintendent Kirby. The police passed the information in August 1985 to Hackney social services. "On our side we had set about giving all possible help and advice with regard to victims, including having Aids tests," he said. "We never heard anything from Hackney at all. It was absolutely a dead duck." If Hackney's full council meeting next week gives the go-ahead to the investigation recommended by the chief executive, Tony Elliston, it will also look at the handling of the case after the letter arrived. Trotter had contact with at least 350 children at the home and others afterwards. A social work manager called Ken Redley, who had resigned after criticism of his management style and was working out his notice, was given the job of tracing them. Eventually it arrived last month. He had found only 53 and spoken to 43. The job of tracing the rest has now been given to the NSPCC, helped by four senior social services officers. Opposition councillors and rebel members of the fractured ruling Labour group — five have been disciplined by the national executive committee for forming a party within a party — have been clamouring for an inquiry, accusing their opponents of mismanagement and worse. Trotter was a union representative, and at one time on a shortlist to be a council candidate. Thanks to a council nomination, he became governor and chairman of governors at Wentworth nursery school. In 1965, when Trowbridge House closed and before he was redeployed, he was seconded to the council's campaigns unit as an information officer. He lived in council property for the 12 years he spent in Hackney, first at Trowbridge



Trowbridge House, the former children's home in Hackney where Mark Trotter worked

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There's a great deal going on

'Artistic' baron launches bid to rejoin peer group

Martin Wainwright on an eccentric's effort to regain his seat in the House of Lords

AN ELDERLY peer, known fondly for hanging out abstract drawings on the streets of York, yesterday launched a fight to resume his place in Britain's government after 31 years in compulsory psychiatric care. The third Baron Bicester, whose grandfather "Ruffin" took the title after chairing the aristocratic stockbrokers Morgan Grenfell, began a tribunal appeal to permit his return to the House of Lords. The move follows claims by a friend that the peer, born Angus Edward Vivian Smith, is effectively a "political prisoner" unable to test his family motto *Tenax in Fide* (Standfast in the Faith) on the crossbenches. Lord Bicester's solicitor, mental health specialist Peter Edwards, also said that the baron's knowledge of people in high places and ability to embarrass them meant that he was being treated differently "than if he was plain old Mr Smith". Detained under the Mental Health Act since 1965, the Old Etonian's regime at the private, Quaker-run Retreat hos-

pital in York is relaxed, with genital fondle at the annual pantomime and frequent unaccompanied local trips outside the three acre grounds approved by medical staff. Bookmakers and casual acquaintances in York describe him as "an amiable gent and a lovely man" who potters about with a pad of A4 paper, offering brightly coloured swirls signed "The Lord Bicester" for charity. Yesterday, he paused briefly at his favourite bookie's in Hull Road to comment on the opening of his appeal tribunal at the Retreat. "I'm in touch" with the House every day," he said, after wryly flopping on the 3.10 at York's Knavesmire racecourse. "I ring them to find out what's going on." His greatest wish, he said, was to take the place of his grandfather and Uncle Randal, the second baron who was High Sheriff of Oxfordshire, in the Lords. Born Angus Edward Vivian Smith, son of a Coldstream Guards colonel and a mother from New York, Lord Bicester was sectioned under the Mental Health Act at the age of 33 and has been treated at a succession of different hospitals. His family has brushed with controversy in the past, particularly over the demolition of their country seat Tulsmore Park, near Bicester, and its replacement with a much-criticised neo-Georgian mansion. Nine years ago, the 3,000 acre estate was bought by the Syrian-born Mr Fikri, Waife Said, the businessman and close friend of Mark Thatcher. Earlier this year, Mr Said dropped plans to build a third Tulsmore Park, a £20 million baroque replica of Palladio's Villa Rotonda which would have been the largest neo-Georgian country house in Britain since the Second World War. The Retreat had no comment yesterday on Lord Bicester's case but it is understood that his treatment, in consultation with his trustees, allows the local excursions under discretion given to doctors in Mental Health Act. He is known as "Lord Angus" in a number of local pubs where he courteously offers his artwork with a polite: "I do this for charity; if you would like it, please give me as much as you can afford." Mr Edwards said: "He's a delightful, eccentric, elderly gentleman. If he was plain old Mr Smith, I don't think he would have been locked up for so long. But his eccentricity has the ability to embarrass people in high places, and he knows a lot of them — his family are related to some of them." Community care consultant Nigel David, from Guildford, Surrey, has befriended Lord

Lord Bicester: 'political prisoner'

مكتبة النجدي

'Alcopop' off shelf as row fizzes

Nick Varley

DISTRIBUTION of the latest "alcopop" was stopped last night, only a day after its launch amid controversy about under-age drinking.

Brewers Carlsberg-Tetley announced the decision after criticism from alcohol awareness campaigners and the industry's voluntary regulator, the Portman Group.

Thickhead, a tangerine-flavoured jelly-like drink, will be relaunched after new packaging taking on the concerns about its youth-orientated image, is approved.

Ebbe Dinesen, Carlsberg-Tetley's chief executive, said: "Following discussions with the Portman Group, Carlsberg-Tetley has ceased distribution of Thickhead whilst we repackage the product with a new label."

"The Portman Group believes that the current label appeals too much to drinkers below our target 18-30 age group and we are sufficiently concerned that we have accepted their view."

A "negligible" number of bottles already on sale will remain in the shops but no more will be sent out.

Jean Coussins, director of the Portman Group, welcomed the withdrawal. "It's good news. It's just a pity they didn't get it right first time."

"They came to us at the 11th hour and promised to change the label after hearing our concerns but they went ahead with the launch anyway."

The group claimed the label breached its voluntary code of conduct in two ways: the word alcohol was said to be hidden, while the character whose face adorns the front of the bottle was said to look younger than 18 and was pulling a childish face.

Ms Coussins said: "They promised the artwork for the new design would be on my desk today for my comments."

Nigel Griffiths, Labour consumer affairs spokesman, welcomed the decision to stop distribution. "I think Carlsberg-Tetley were jumping on a bandwagon, but this is a sign that the industry is taking the problem of alcopops seriously."



Paul Jarvis makes a tearful appeal to his estranged wife yesterday. Top right: Margaret Jarvis, who disappeared with sons Christopher and Russell



MAIN PHOTOGRAPH: JOHN McLELLAN

Cultivating new grasses can prune crime growth, says report

Uniformed police rely more on informants

Alan Travis Home Affairs Editor

ALARGE expansion in the use of informants paid £70 for every arrest lies behind reductions in household burglaries in some police force areas, according to a new Audit Commission report.

Although some chief constables remain wary of using informants on a large scale, police forces employing "intelligence-led policing" have seen significant improvements in clear-up rates.

The reduction in household burglaries has made up most of the 9 per cent drop in the crime rate between 1993 and 1995.

The Audit Commission cites Hertfordshire as the

most successful force in improving its clear-up rate for burglaries, and reveals that the number of paid informants has tripled to 900 in the past three years in that county. For the first time, uniformed constables have been encouraged to recruit their own informants, and they now run two-thirds of such contacts. Last year, these sources led to an average of two arrests a day and contributed to the 13 per cent increase in solved burglaries.

Before 1993, it was unknown for anyone other than a plain-clothes detective to run informants, who were often paid £5 or £10 for a tip. A medium-sized police force paid out an average of £20,000 a year to informants.

The commission says most forces are making much more

rigorous use of informants, with every suspect interviewed regarded as a possible source of information.

"Police have to be extremely business-like in gathering information," said Kate Flannery, the report's author. "The idea that a detective can solve a crime by studying a spent match in an ashtray is a myth. The majority are solved by someone going to the police and telling them."

The report, *Detecting a Change - Progress in Tackling Crime*, says other recent changes in police practice, particularly those aimed at repeat offenders, have contributed to the overall crime rate reduction.

Examples cited include:

- South Yorkshire police's work with Sheffield housing department to tackle bur-

glaries on a crime-ridden estate. Closed-circuit television cameras, improved locks and high-visibility police patrols reduced burglaries to 23 in nine months from 103 in the previous seven months.

- Dyfed-Powys police trained uniformed officers in taking fingerprints at crime scenes, leading to an extra 330 crimes being solved last year.
- Waverley police in Surrey increased the number of intelligence specialists and strengthened links with beat officers. Their clear-up rate rose from 13 to 30 per cent.

Forces which saw burglaries fall by the largest percentages since 1993 were Surrey, Bedfordshire and Hampshire. Dorset, Cleveland and South Wales, which kept to more traditional methods, saw the largest increases.

Debut of bomber that flew the coop

Martin Wainwright

THE last of the RAF's lumbering "Ugly Sisters", the cruise missiles of their day during the air campaign against Nazi Germany, has been rescued from ignominious retirement as a Scottish hen-coop.

Sceptics scorned the practicality of reassembling an entire Halifax bomber from 20ft of dropping-scattered fuselage, but enthusiasts have restored the \$5,000b plane to the ranks of surviving veteran aircraft.

"It is extraordinary that not one of the 6,176 Halifaxes survived the war," said Harry Woodford of the Yorkshire Air Museum, near York, which is about to put the four-engined bomber on show. "They never caught the public's imagination like the Lancaster, which I have to admit had a prettier shape."

The fat-bellied bomber has been made up from

scrapyards, air force stores and the French government, which found the correct Hercules engines in a warehouse and a tail-wheel from a crash site in a Paris orchard. Engineers at British Aerospace designed several sections and a missing wing was salvaged from a Hastings bomber.

"It has taken 13 years to finish the jigsaw," said Peter Douthwaite of the museum. He saw thousands of Halifaxes fly in for scrapping at nearby Clifton airfield after the war. Aircraft enthusiasts had long despaired about finding a Halifax. Mr Woodford said: "Halifaxes crashed all over the place, but they were often carrying bombs - as you can imagine, that did not leave very much."

The plane, named Friday the 13th after a Halifax which survived 128 missions, became a practical proposition thanks to a tourist in Lewis in the Outer Hebrides, who recognised the shape of a crofter's hen coop. The farmer, Norman MacKenzie, agreed to evict his hens in 1984 and the corroded aluminium formed the basis for the restoration.

"We still have one problem," said Mr Douthwaite, who has invited surviving crew of Friday the 13th to a ceremony next Friday (the 13th). "Two different crew members are convinced that they painted the Grim Reaper badge we've reproduced on the plane, so we may have a lively party."

Search for PC's wife who left 'suicide' note

Alan Watkins

ANATIONWIDE search to trace the wife of a police officer who has disappeared with her two children after leaving a note threatening suicide.

Margaret Jarvis, 47, who had been estranged from her husband Paul, a 35-year-old police constable, for two years, left her home at Hatfield Peverel, Essex, on Monday night.

There has been no trace of her or the Ford Fiesta she was driving despite extensive searches in the surrounding area and by police forces in Hampshire, Oxfordshire and Norfolk, where there are family associations.

Mrs Jarvis left with her two sons Christopher, 5, and Russell, 8, who were due to return to school after the summer holidays yesterday.

Her husband said at a press conference: "Please come home. Or, if you don't want to do that, please don't harm the children."

PC Jarvis, a policeman for seven years, said he and his wife had a "minor disagreement" on the afternoon she disappeared but the matter had been resolved and he took both boys out with a friend.

When he left the house at 8pm on Monday, she gave no indication that anything was wrong or that she was plan-

ning to leave. The alarm was raised on Tuesday when Mrs Jarvis failed to deliver the children to another relative before going to work.

Police who broke into her bungalow found she had removed the jewellery she normally wore and had left it in the house.

Police say she took no cash or credit cards with her and left without a change of clothing for either herself or her sons.

Detective Superintendent Brian Storey, who is leading the search, said: "I will not disclose the contents of the note, except to say that it causes us grave concern for Margaret and the children. We are doing everything we can to find her and I still hope for a happy conclusion."

The couple had been married for seven years and estranged for two.

PC Jarvis said he and his wife still got on well and shared visits and social occasions with the children.

Mrs Jarvis has two children from her first marriage and is a grandmother of two.

Her first husband died from cancer.

Jean Cuthbert, headmistress of Hatfield Peverel primary school, described Mrs Jarvis as a "model mum," who was very maternal and supportive of her children. She said both boys were bright, intelligent and likeable and had many friends.

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The Halifax, derived from bits and pieces in scrapyards and second world war crash sites, took enthusiasts 13 years to rebuild

Lifer's big squeeze saved jailer choking on orange

Duncan Campbell Crime Correspondent

IT may be rare for someone who has taken a life to have the opportunity to save one, but a former miner sentenced to life for murder has made the most of his chance.

Welshman Terence Hughes was being supervised by prison officer Michael Bugg at a hostel in Nottingham prison when he noticed that all was not well with the jailer.

The officer had staggered, apparently unable to breathe, into the room where Mr Hughes was watching television. As a miner, Mr Hughes had leaped about first aid on the outside, and realised Mr Bugg might have been about to choke to death.

Mr Bugg, 51, of Toton, Nottinghamshire, said he had been eating an orange when the telephone rang, and he had tried to swallow a whole segment before answering. But the orange stuck in his

windpipe. At first, Mr Hughes thought that Mr Bugg was playing a joke. Once he realised Mr Bugg could not breathe, he sprang into action.

Mr Bugg could barely express his gratitude, and in different circumstances, might have said he was "choked".

"I would not be here today if it hadn't been for him," he said. "I thank this man from the bottom of my heart."

"He rushed to help me and slapped me hard on the back. When this failed, he grabbed me from behind and performed Heimlich's manoeuvre - squeezing my chest very hard."

"When the orange shot down into my stomach, it was like a champagne cork popping. The first thing I said to him was 'Thank God you were here.'"

Mr Hughes, due to be released later this month, said: "His face had swollen to twice its size. If nobody had been there, I think it would have been tragic."

No appeal on jail releases

Alan Travis Home Affairs Editor

AN APPEAL to the House of Lords to allow the further early release of prisoners was ruled out yesterday by two High Court judges.

The decision came in a detailed judgment published yesterday by Lord Justice Simon Brown and Mr Justice Poplewell, which backed Michael Howard's decision to halt the "great escape" of 537 prisoners who were wrongly granted early release.

The judges gave their reasons for dismissing an application from John Naughton, an inmate at Lindholme Prison, near Doncaster, who was serving consecutive 18-month sentences for burglary and possession of cannabis.

According to the judges his argument that the time he spent on remand should be counted against each sentence was "absurd, nonsensical and wholly unarguable".

However, their judgment acknowledged that the law was ambiguous about the way time spent on remand should

be counted for prisoners serving concurrent sentences.

Yesterday Danny Simpson, a Sheffield solicitor, had been lodging an application for habeas corpus on behalf of several inmates, arguing they had not been given sufficient credit for the time they had spent on remand. A test hearing is expected soon.

The "great escape" action should clearly be avoided and any attempted further challenge should ideally go before a full divisional court presided over perhaps by the Lord Chief Justice. An alternative, of course, would be to legislate urgently for absolute clarity," said Lord Justice Simon Brown.

The prisons minister, Ann Widdecombe, said she believed yesterday's judgment meant that the "matter is now closed". Fresh guidance is to be sent to prison governors on how to calculate prisoners' release dates based on the High Court judgment.

The Government is expected to bring forward proposals for the autumn to give judges the power to determine how much time spent on remand should be deducted from a prisoner's sentence.

Child porn cache 'an accident'

ASENIOR British diplomat told Customs officers he was unable to determine exactly what was on video tapes before he bought them from Japanese sex shops, Southwark crown court in south London heard yesterday.

Robert Coghlan, who pleaded not guilty, said a large collection of obscene videos featuring young boys, which

he was accused of smuggling into the country, was built up unintentionally.

The 54-year-old first secretary, stationed for 4½ years in Tokyo, said during an interview read out in court: "I was aware they contained pornographic material, but what I was not aware of was the precise content."

The trial continues.



Groomed for stardom... Horses of the Russian army's Detached Cavalry Regiment are kept filming fit while awaiting the director's call at their barracks outside Moscow and, below, one is taken through its paces in the show ring

By the right, smile - but no Snickers

The Russians keep a cavalry regiment to act by numbers for the camera. But jobs are getting scarce without the spur of Soviet propaganda subsidies to keep them galloping across the steppes. **James Meek** reports from their barracks at Alabino, outside Moscow



News in brief

Blackmailer bites on food poison scare

JAPANESE police arrested a man yesterday for threatening to spread the E. coli food poisoning bacterium by injecting his infected body fluids into baked goods. Tokiyuki Asakura, aged 47, was held on suspicion of attempted extortion after admitting he sent Yamazaki Baking a note saying he would infect their goods unless they paid him 80 million yen (about £370,000). A National Police Agency spokesman, Mamoru Machida, said officers intercepted a telephone call to a number the blackmailer told the company to display in its window so that he could call to make arrangements for picking up the money. Mr Asakura was traced to his home in the Tokyo suburb of Makuhari. It was the second such incident in recent weeks. On August 24 a man was arrested for posting a threatening letter to the Tokyo headquarters of 7-Eleven Japan demanding a 120 million yen payoff. The bacterium, the O157 strain of E. coli, is blamed for the food poisoning outbreak in Japan which has killed 11 people and made nearly 10,000 ill since June 1. It is spread in food, including undercooked meat and raw vegetables in water and by human contact. Fear of infection has hit restaurants, food growers and butchers especially hard. The health ministry is trying to encourage hygienic practices.

Pinochet warns of future coup in Chile

CHILE'S former military ruler General Augusto Pinochet hinted yesterday that the country's armed forces could carry out another coup like the one in 1973 that brought them to power for 17 years. Speaking to rightwing supporters in a social club in the capital, Santiago, Gen Pinochet recounted his role in the violent coup in which troops overthrew the elected Marxist

president, Salvador Allende, and instituted military rule. "We arrived in the year 1973 when a socialist president had left. And take care we could do it again," the general said. It was not clear whether he meant that Chile could again elect a socialist government or that the military could stage another coup. His audience, which burst into applause, understood the latter.

Japanese guru faces disciples

The doomsday cult leader Shoko Asahara, whose trial for the poison gas attack on the Tokyo subway in March 1995 resumes tomorrow, is to be confronted by his former followers in court. Disciples of his Aum Shinrikyo sect - including his doctor, Ikuo Hayashi, and Mr Asahara's lieutenant, Yoshihiro Imoto - accuse their guru of ordering the gasings, in which 11 people died and 5,500 were injured. - Reuter.

Torture settlement

Argentina has agreed to a monetary settlement for José Siderman, a Jewish businessman, aged 85, who was tortured and exiled under the former military regime, in a case against the government being tried in a Los Angeles court. - New York Times.

Anti-terror drive

The FBI plans to transfer 500 United States agents to counter-terrorism duties to ease the strain of simulta-

neous investigations into the TWA 800 crash and the Atlanta Centennial Park bombing, and in anticipation of increased terrorism, writes Ian Katz in New York.

Army 'hostages'

Human Rights Watch/Americas yesterday urged leftwing rebels of the Revolutionary Armed Forces of Colombia to secure the safe release of about 60 soldiers seized in an attack on a military base last Friday. - Reuter.

Spy doll

Russia expelled a high-ranking Swedish diplomat for espionage earlier this year after catching one of his couriers in St Petersburg paying £1,300 for a matryoshka doll with film of classified documents hidden inside, Russian media reported yesterday. - AP.

Elephant killings

Two hundred elephants were found slaughtered in Congo, 500 miles north of the capital Brazzaville, in what authorities said yesterday was the country's worst massacre by poachers. - AP.

"If you order more than 50, we can go down to 100,000 roubles," said the colonel. The regiment was brought into being in 1962 by the director Sergei Bondarchuk for the Soviet film version of War and Peace. Bondarchuk, a man of suitably Napoleonic ambitions, focused heavily on the war aspect of Leo Tolstoy's novel and insisted on a division-sized unit to recreate the clash of hussars and cuirassiers at Borodino - more than 1,000 horses.

It had been expected that the regiment would be disbanded when shooting ended, but it was still around by 1967, when it trotted through Red Square in Russian civil war costume for the 50th anniversary of the Bolshevik revolution. The rest is cinematic history.

"Of all the arts," said Lenin in a quote adorning the regimental museum, "cinema is, for us, the most important."

Although it belongs nominally to the army, uses conscripts and is subject to military discipline, the regiment used to be financed and effectively run by the Soviet state film industry.

Its soldiers lived a nomadic life, travelling by train and horse-box across the vast spaces of the Soviet Union, one month becoming Turkmen raiders in the Central Asian desert, another Mongol Tatars on the steppe, the next Petrine officers bobbing through the snow around Leningrad in tricorne hats.

They fulfill the director's instructions like soldiers, said the colonel, not like actors. "We have a set of

rules in which everything is laid down. If you're ordered to smile, the order will be carried out, and carried out well."

Col Gerasimenko refused to say how many horses the regiment keeps now - a military secret? - but it seems to be less than 100. It has been a long time since the last job, a one-minute television advert for the commercial bank Imperial.

There are limits, said Sub-Colonel Igor Peskov. "It's not for us to judge whether a subject is good or not. The state cinema committee decides what is art. We just fulfill orders."

"But we are military people, after all, and we wouldn't allow ourselves to advertise some kind of yogurt or Snickers."

There is hope. The Oscar-winning director Nikita Mikhalkov has ordered 50 horses and riders for up to 10 days for a historical film to be shot outside Nizhny Novgorod next month.

Anger over cuts threatens 'hot autumn' in France

Teachers kick off protest season

Paul Webster in Paris

IN A premature start to France's "hot autumn" thousands of teachers and other school staff will strike today over budget and job cuts, opening the way for a new showdown over education, an issue which has troubled rightwing governments since 1988.

Only members of the non-party aligned Force Ouvrière will march today, but all other primary, secondary and high-school teachers will join a national strike on September 30 that is likely to be followed by joint action with university staff and students.

President Jacques Chirac, who was a minister during the student revolt of 1986 and prime minister during mass education protests in 1986, faces a second consecutive year of militant action in schools and universities after last autumn's marches by workers and students.

Teachers and students have a powerful following in the Socialist and Communist parties, which believe that the "hot autumn" could topple

Alain Juppé's government and precipitate an election.

Guy Le Néouannic, leader of the national teachers' union, FEN, said after meeting leaders of other school staff lobbies: "We are faced with a situation which we have never seen before in which the real education minister is the budget minister."

Mr Juppé has been forced to make education cuts as part of an austerity programme to meet European Union single currency conditions and make room for promised tax cuts. Teachers' jobs will be cut for the first time since the war - by 2,300 - on the grounds that the child population is dropping.

Trade unions, who say that the fall is equivalent to only one pupil a class, have drawn up a list of complaints, among them the poor treatment of probationary and auxiliary teachers. They believe that by eliminating overtime for the 600,000 teachers with permanent posts, 15,000 full-time jobs can be created. Without this change, they expect thousands of teachers will be made redundant.

Michel Deschamps, who heads the teaching unions' federation, said he was convinced the government was ready to abandon the priority given to education. Under the Socialist government ousted in 1983, education spending was raised above that of defence.

The fact that teachers decided to strike on the day primary schools went back, and a week before the reopening of secondary schools, has emphasised the political nature of the protest which was planned through the summer break in consultation with leftwing politicians.

But the signal to strike was not given until after a meeting with the education minister, François Bayrou, who made it clear there would be no concessions (a position he took in 1983 when he had to back down in the face of street protests over selection for university places).

Other public sector unions are meeting next week to plan civil service and public transport stoppages because of high unemployment, welfare cuts and pay freezes. A year ago France was brought to a standstill by strikes.

Bonn strives for bigger military role in Bosnia

Ian Traynor in Bonn

GERMANY is pushing for a slimmed-down Nato force to remain in Bosnia when the soldiers' mandate expires at the end of the year and wants to commit German combat troops for the first time.

In the past few days, politicians from Chancellor Helmut Kohl down have sent out strong signals that Germany is ready to increase its participation in the peacekeeping mission. Bonn is conferring with Paris, Washington, Moscow and London on the likely configuration of a Nato presence next year.

The foreign minister, Klaus Kinkel, said on Tuesday that a force would be needed next year because Bosnia would still be unstable when the Nato mandate ran out.

Volker Rühe, the defence minister, has spoken of a

20,000-strong force remaining next year, down from almost 60,000 troops in Bosnia now. He is seeking cross-party support to prepare public opinion for a full German combat role in a renewed mission.

Senior defence and foreign ministry officials returned from a fact-finding trip to Bosnia to recommend that the German contribution next year "not differ in quality from that of our allies".

At talks with the French president, Jacques Chirac, in Bonn on Sunday, Mr Kohl revised his earlier opposition to dispatching German combat troops to any zone occupied by the Nazis in the second world war. During the war Bosnia was incorporated into the Nazi puppet state of fascist Croatia.

Asked about sending ground troops, Mr Kohl said because the world had changed "we need to think about this".

The issue of full German involvement is likely to arise tomorrow when the United States secretary of state, Warren Christopher, delivers a speech in the south German city of Stuttgart on European security.

Over the past two years, Mr Kohl has moved in stages to overcome a legacy of the Nazi years - the constitutional bar on deployment overseas of German armed forces.

The bar has been lifted by the constitutional court and the government gained support for dispatching military aircraft to help police the no-fly zone over Bosnia.

But the German role in the present US-led Nato mission has been confined to a few medical and logistical units based only in Croatia.

Germany's Nato allies are keen to see Bonn play a full role in Bosnia and in future hotspots where Nato may be asked to keep the peace.

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مكزائن الاموال

Labour means business

Non-intervention in industry is the new orthodoxy

TONY BLAIR has all but succeeded in defusing business anxieties about the prospects of a Labour victory in the next general election. No previous Labour manifesto has been given such approval — albeit qualified — by the main business organisations as Labour's Business Prospectus was yesterday. The CBI said it would be churlish not to admit that Labour had made major shifts to accommodate the concerns of business people. Even the right-wing Institute of Directors, while having reservations about the minimum wage and the Social Chapter, welcomed Labour's commitment to business and especially to small businesses. The 90,000 strong Federation of Small Businesses said that concerns over the minimum wage and the Social Chapter were now outweighed by Labour's help for small employers and that five million small business votes were now "up for grabs". Is there any greater outward sign of the changes imposed on the Labour Party, so used to playing the role of the Devil in its dealings with small businesses, than the sweet nothings now being mouthed between them? It is not (yet) true that Labour has exchanged its cloth cap for a bowler hat, but it is determined, as no other Labour Party before it, to work with the grain of industry.

businessmen, may have to wait until Labour achieves power to know what that really means. This is the first prospective Labour administration to be completely shorn of nationalisation proposals, industrial interventionism and excess spending plans. Yesterday's proposals were so geared to the language of businessmen that the Arts were referred to as "cultural industries". Where there are commitments to intervene (for example, the promotion of tourism, optical fibre networks and tax reforms to boost film production) they have arisen from requests from the industries themselves rather than being imposed from above. Even the long-term pledge to lower the starting rate of tax to 10 per cent (see below) seems motivated by a desire to change the tax image of the party rather than to help the poor. The late Lord Joseph argued that Labour was the party of the producer and the Tories of the consumer. That is probably still true. The difference now is that Labour has stopped pretending that it knows better than industry what is good for it. This is a profound change in the nature of Labour which many traditional supporters have yet to take on board. It is also highly risky because non-interventionism will only succeed if industry has enough faith in Labour to invest for the future. But if it succeeds then Labour will have the means to proceed redistributive again. The potential returns from macroeconomic stability — like higher growth and lower unemployment — are greater than from eclectic intervention. If the Tories hadn't totally mismanaged two recessions they wouldn't be in their present dire fiscal straits. If Labour can achieve sustained non-inflationary growth then it will generate tax revenues enabling the party to have a meaningful debate about redistribution. Without growth, all bets are off.

How not to help the poor

Tax cuts benefit the higher paid, not the really needy

WHO says Labour does not dare to be fair? Yesterday Gordon Brown insisted a Labour Government would provide more help to the low paid. Penal marginal rates for the low paid — generated by in-work benefits plus tax — would be tackled. In contrast to Conservative plans to abolish capital gains and inheritance tax, Labour has set its eyes on the longterm objective of "a new lower starting rate of tax of 15p, or preferably 10p in the pound". Put that in your cigar and smoke it Ken Clarke. Labour will aim to slash the current starting rate of tax in half. Moreover, the shadow chancellor — and his leader — were ready to say this to a hall of industrialists in London none of whom would have been a lower rate taxpayer. Is this for real? Hopefully not. This is no way to help the poor — which is perhaps why he chose to deliver such a message to higher paid taxpayers. Remember, the poorest 15 million adults in the country — the unemployed, disabled, and many pensioners — wouldn't receive any benefit from slashing the starting rate to 10p. They do not pay any tax. For the 25 million who do pay tax, there are better ways of helping them than through such a crude mechanism as lowering the starting rate. At its crudest — replacing a 20p with a 10p band — the cost would be £8 billion. Introducing 10p as one of several steps would be much cheaper, but would still lose a Labour government vital resources in a country crying out for better services.

The most direct way of helping the low paid is to lift more of them out of tax altogether by raising tax allowances. Four decades ago a married man with two children did not start paying tax until he was earning average earnings. Now he starts paying tax when he is earning less than 30 per cent of the average. Does Labour really think this is fair? Raising allowances — like lowering the starting rate — would also be corrected by adjusting higher-rate thresholds. Indeed, not only should they be adjusted to ensure the same number are paying higher rates, but there needs to be a top rate higher than 40 per cent too. Roy Hattersley is right to keep hammering away at the need for Labour to be more redistributive. If only he could persuade the shadow cabinet. No developed state has seen such a brutal widening of incomes between the poor and better off. The gap is now wider than in Victorian times. Margaret Thatcher did not cut taxes but redistributed them between the rich and poor. By 1993, people earning over £50,000 a year had received income tax rebates of £15,000. At the other end, the poor were even poorer — 17 per cent poorer according to the Government's own statistics. It is no use Labour saying it wants to be fair but the voters won't let it because it's untrue. For the last three elections the redistributive parties — Labour plus Liberal Democrats — have outvoted the Tories by 58 to 42 per cent.

The way to curb Britain's fat cats

Don't talk turkey and stop treating them like human beings

READERS of this newspaper will not be surprised to learn that Britain is the home of the fat cats. Except that the cats in question do not sit in boardrooms enjoying lucrative share options or answer to the name of Cedric. These cats are the four-legged variety and are fat because of food — so much of it that a new survey for Hill's Pet Nutrition reveals that 47 per cent of British cats are overweight. This infelicitous news for home grown moggies compares unfavourably with results from France, Italy and Belgium, whose humans are well known for their love of food but where obese cats are much less common. The stout British pussy of today has a long lineage. The survey mentions a cat treated to salmon, trout and prawns every day, inflating it to over the seven or eight pounds average. Such over-indulgence recalls TS Eliot's Bustopher Jones, "this stoutest of cats", who ate at

eight or nine St James's clubs a day and of whom Eliot wrote "He's a twenty-five pounder, or I am a bouncer." British cats are dwarfed by their gargantuan Australian cousins. An unconfirmed report gives the all-time record to Edward Bear, a 48-pounder from Sydney. And the heaviest domestic cat was Himmy from Queensland, who tipped the scales at a prodigious 47lbs. Fat cats are apparently created by owners who feed them as though they have human appetites. One way of cutting down on this propensity to kill Tiddles with kindness might be to make cat food much less attractive to the owners who buy it. Cat food is sold in flavours which attract humans rather than cats — like salmon, turkey and rabbit. If cat food came as cats seem to like it — tins of mouse, frog, sparrow or blackbird flavour — then we might feed them less and thus be able to enjoy their company for longer.

Steve Bell



Letters to the Editor

US raids spark explosion

WE are deeply concerned that the UK and US governments are seeking to justify the current armed action against Iraq (Clinton wrecks Gulf alliance, September 4) by reference to UN Security Council Resolution 688 of April 5, 1991. That resolution made no reference either to the imposing of No-fly Zones or to any right to proceed militarily against the Iraqi government. If the UK and US believe that they cannot win the necessary support of enough Security Council members, then they have no right to take the law into their own hands. Given that, on this occasion, Saddam's armed forces appear to have been genuinely invited into Irbil by one major faction in the tragic Kurdish civil war in Northern Iraq, the British-backed US action is even more odious. Malcolm Harper, Director, UN Association of Great Britain and N Ireland, 3 Whitehall Court, London SW1A 2EL.

The small war against Iraq is accompanied by another small war against dissent. Internal US or British disagreement with these attacks have been absent from our TV news programmes, which take their justness for granted and prefer to discuss military technology rather than the issues of life and death. It would be harder to another dissent if the Labour Party had the courage to oppose Major and Clinton. Instead it takes a position to the right of the French government. Let not Tony Blair's electoral chances be impeded by a mere few Arab lives. Ed Horton, 34 Birchfield Close, Blackbird Leys, Oxford OX4 5DL.

THE fear now is that the US may attempt to halt proposed oil for food concessions which would allow Iraq to swap its oil for food and medicine. Saddam is the problem, but the "civilised" world makes children go hungry and suffer the prospect of death from preventable diseases. Are the architects of these sanctions any better than Saddam Hussein? Robert O'Sullivan, Glengarriff Road, Bantry, Co Cork, Ireland.

Why our childcare policies are still in their infancy

ELIZABETH Williams' account of her child's experience with a childminder (Tales of the least expected, August 27) made alarming reading for any parent. But it should be noted that registration requirements for childminders, and their families are now far stricter as a result of the Children Act of 1989. The local authority reaction to Ms Williams' allegation is, alas, still very common. The National Childminding Association has recently implemented new procedures to deal with complaints and a conference is planned in November to attempt to bring together a good practice model for local authorities so that parents and childminders know what to expect when an allegation is made. Carolyn Thompson, Director, Communications and Marketing, National Child Minding Association, 8 Masons Hill, Bromley, Kent BR2 9EY.

IT IS no coincidence that the only feminist demands which have been embraced by this government are the ones which benefit employers (Ministers rue gaps in childcare, August 29). The more women in the workforce, the bigger the supply of workers; the bigger the supply of workers, the cheaper their price. Anne O'Connor, 8 Kitto Road, London SE14 5TW.

Children's hour

WHY pay more licence fees to a BBC which neglects its young listeners? Neither the BBC Charter nor the Broadcasting Act (now with some 300 amendments) protects children's listening rights and they are left hostage to whichever executives happen into power. These executives claim: "Kids don't want radio... they only like TV and pop!" Do we also remove fresh fruit and vegetables because kids like fries and pop? The axing of children's radio is the most alarming sign of an acute shortage of nursery places, this most accessible and cost-effective medium has a key role to play in learning support. Licence fees would be better invested in a Children's Broadcasting Corporation, to



Labour cares

CATHERINE Bennett is entirely wrong to suggest (Policy that's neither fish nor fowl, September 4) that Labour's commitment to animal welfare is hardly different to other parties. Labour is the only party committed to a free vote on the abolition of hunting with hounds. Labour is the only major party that has spoken out against live animal transport, and made it clear that if it was legally possible to do so we would ban the export of calves to veal crates systems. In close co-operation with our European Parliamentary Labour Party we are also committed to the development of less intensive livestock systems. Labour is the only party that has called for reforms of the CAP to give capital grants to producers investing in welfare-friendly systems. We are committed to a wide range of radical reforms for captive, companion, wild, domestic and laboratory animals. We have already had success in advocating the voluntary introduction of ethics committees in research establishments and encouraged welfare labelling. The IFAW made a welcome donation to Labour because it wants to see all parties give the priority most people in this country think animal welfare should have. Elliot Morley MP, Labour Spokesperson for Animal Welfare, House of Commons, London SW1A 0AA.

entertain, educate and inform young citizens and secure their rightful place in all broadcast media. Susan Stranks, Director, Children 2000: The Children's Radio Campaign, Chancellor Street, London W6.

Taking account of the pink pound

WHAT Peter Tatchell's criticism about the parlous state of gay activism (Cashing in, coming out, August 28), and the letters in response (August 31), made interesting reading, the authors chose their target wrongly. The Pink Paper is not taken up solely with "entertainment and business news" though we do have both. We recently launched a hotline with the TUC to combat harassment and victimisation in employment — hardly the work of an apathetic newspaper. We have tackled gay taboos like misogyny, racism, gay-on-gay sexual harassment and, yes, political apathy, with similar vigour. Though we are a free weekly newspaper, we are not beholden to our advertisers. Where advertising has been threatened with withdrawal by an organisation should a story go ahead, we have run the story. But we are a business. How does Tatchell think we can make a living — certainly not by ignoring our readers' interests or by providing him with a free vanity publisher. Tatchell and the other whingers are really just nursing rather bruised egos. The Pink Paper no longer deems Outrage, or other special interest groups, as automatically deserving of attention. Their "zaps" — the most recent being the outing of a Cabinet minister "as a heterosexual" — ring hollow in a political culture far removed

from the them-and-us glory days of the past. Roger Goodie, Managing Editor, The Pink Paper, 72 Holloway Road, London N7 8NZ.

WHAT Louisa Young (Work, autonomy, work, September 3) fails to point out is that working full time and being a mother has to be a compromise. All too often, newspapers portray working mothers in a negative way, probably because the exam-

A Country Diary

INVERNESS-SHIRE: The two cock red grouse walked through the heather until they reached a slight mound and then they were away with arched wings over the moorland. Below the rough track the ground sloped steeply away to a scattering of old Scots pine on the bank on a wide burn whose waters tumbled merrily over rounded boulders where the dipper sang. Heather, cross leaved heath and bell heather made a fine show of colour mixed with the leaves of hilly-berry and crowberry. This was mountain hare country and there were droppings everywhere, including those of roe deer, red deer and pine marten. Beyond the burn the moorland stretched away into the distance. The muir-burn left a patchy scene but the strips were small and narrow, giving young shoots for the grouse and longer heather nearby to hide in when golden eagle or peregrine showed. An ideal scene but there was an earnestness about it and a silence that

was not magical as it is elsewhere in the Highlands. The feeling was in my mind rather than a reality but what was missing were the birds of prey. There should have been breeding hen harriers in the longer heather, peregrines on the lower cliff and golden eagles on taller cliffs but there were none. This is a notorious black spot in the Highlands where, over tens of thousands of acres, birds of prey have systematically been persecuted — a persecution that persists even in this so-called enlightened age. Golden eagles and peregrines are shot and sometimes their nests burnt out while, with hen harriers, the adults are shot and any chicks crushed under foot in the nest. Admittedly this is not characteristic of the Highlands as most people uphold the law but there are still many who think they are above such laws and it is a sad reflection that recorded incidents are only the tip of the iceberg. RAY COLLIER.

مکانم انجمن

Diary

Matthew Norman

CONTENDER for Book of the Month... A collection of quotations collected over a period of 20 years by author Des Mac-Hale...

VERY few jokes, even of Fuhrer standard, were being cracked yesterday at the Express group...

MEANWHILE, from the letter to staff from Express MD Stephen Grabiner, outlining the move to a seven-day operation...

ANOTHER potential Book of the Month has arrived, and just in time. It is Deborah's New Guide to Etiquette & Modern Manners by John Morgan...

NEW Labour weenie Deejay Collins is at it again. Deejay, who is 22 and a researcher for Jim Cunningham MP...

POTENTIAL ace detective of the future has been spotted in Worcester, where a certain PC Garrett has submitted a report about an unusual theft...



Togetherness over the tyrant

Commentary

Ian Black

AMERICANS and Britons might well be two peoples divided by a common language, but when it comes to Saddam Hussein they understand each other fairly well...

ing crustily about giving the Americans a blank cheque. On the left, Tony Benn and Tam Dalyell were more concerned about suffering Iraqis and the non-consultation of Parliament...

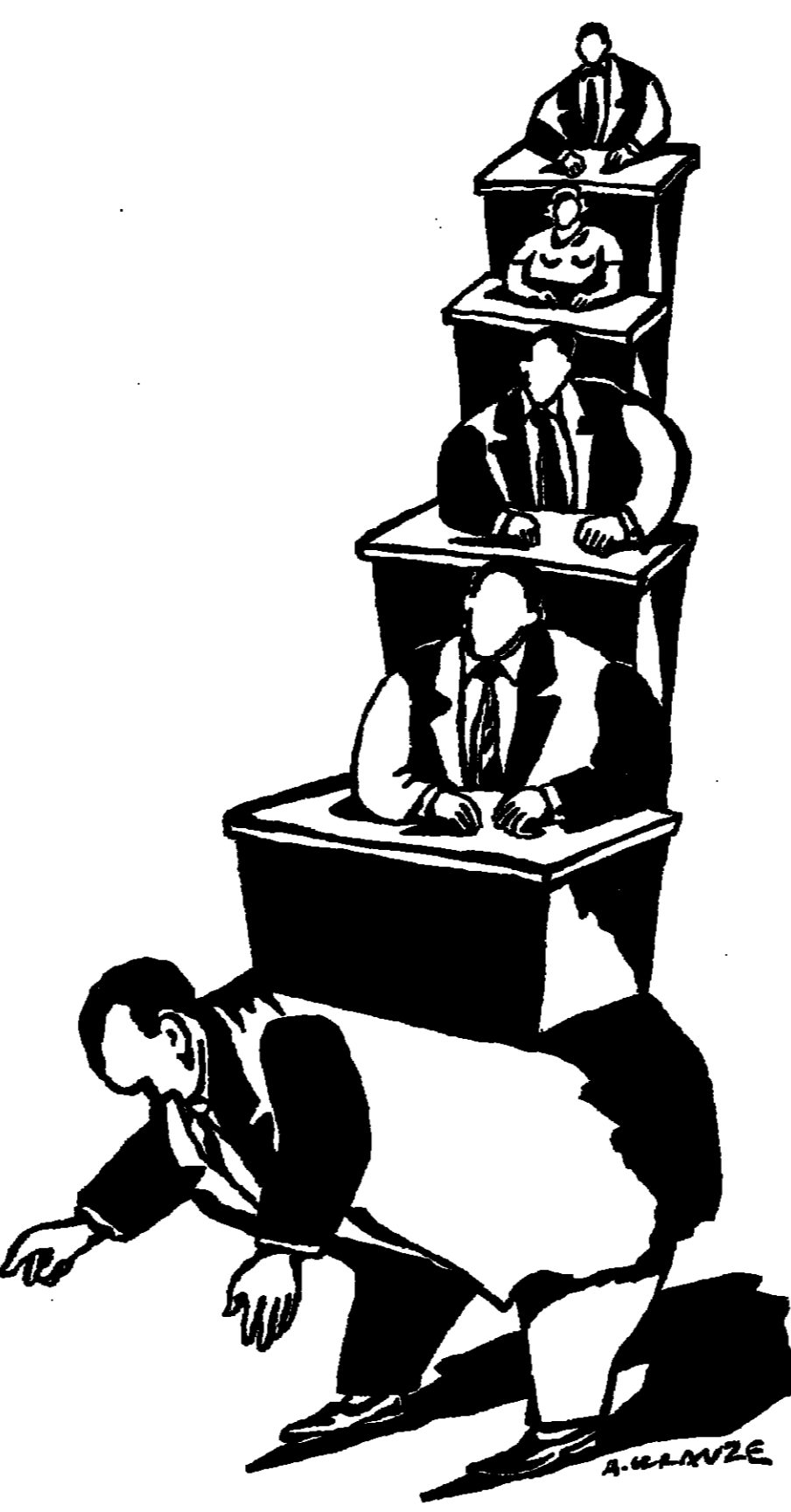
fit analysis of Anglo-American links can ignore simple economics: Britain is the biggest foreign investor in the US and attracts 40 per cent of US investment in Europe. Yet the paradox is that America, flitting towards Bonn and greedily eyeing the markets of the Pacific Rim...

Jack Straw argues that the governance of Britain is tainted with centralisation, secrecy as a shield against scrutiny, and unaccountability: this is what a Labour government would do about it

Our secret society

ABOUT once a month I hold an open-air meeting in the centre of my Blackburn constituency - appropriately for the modern Labour Party, mid-way between the Town Hall and Marks & Spencer...

To some, constitutional change is an abstraction, of interest only to a metropolitan elite. But it is my experience as a Member of Parliament for a constituency 250 miles away from the metropolis which has convinced me of the need for change...



tobacco company than it was by the British Government. Overcentralisation and secrecy have in turn led to the abuse of power, and great waste...

people trust is a genuine humiliation for the political class. Cynicism about the political process ultimately erodes people's confidence in their own ability to improve the circumstances of their lives.

Britain, and give people a say where one is denied today. A Freedom of Information Act will open up government. All political parties will have to publish proper accounts and the source of large donations...

Why we long to see the perfect couple



Francine Stock

Back to Basics or benefits reform or even caring communitarian couples, we balk. Yet the politicians, pathetic creatures, are simply reflecting back to us what they know we crave but are unable to achieve. We seek pasteurised perfection in our models. So the Conservatives think there may be mileage in exploring the idea that Charles Booth may be too "dominant" in the Blair/Booth household...

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Finance Guardian

Lloyd's chief rings in new era after brush with disaster

DAVID Rowland, chairman of Lloyd's of London, yesterday rang the famous Lutine bell three times to herald the official end to the market's troubles, *writes Pauline Springett*. Traditionally it has been sounded once to signal bad news, and twice for good news, although it is now only used on ceremonial occasions. Mr Rowland — seen here on television monitors in the underwriting room at Lloyd's — was also celebrating the Department of Trade and Industry's decision to give the green light to Equitas, the reinsurer company which has taken over Lloyd's old loss making liabilities. Lloyd's almost collapsed after losing nearly £8 billion in 1988-1992. Thousands of its Names suffered enormous financial losses as a result. Last week the 34,000 Names overwhelmingly accepted a £3.2 billion settlement offer. PHOTOGRAPH: KEVIN LAMARQUE



Notebook

Muddy thinking ruins courtship



Edited by Alex Brummer

ONE supposes it is better for New Labour to have the business community on its side, rather than actively challenging its ideas in the run-up to the election, but this is no reason for the lack of intellectual clarity in 'New opportunities for business'. A bit of trimming on the minimum wage and the social chapter, two of the bugbears of the business community, will no doubt calm the nerves of some people in the boardrooms, although carrying from Sir Stanley Kalms, Lord Sheppard and Lord Hanson et al would continue even if Labour were to swap their manifesto with the Tories. For a party which appears bold in its approach to constitutional reforms, it is extraordinarily cautious on institutional reforms affecting business. Its position on European Monetary Union, the most important decision it will face within months of coming into office, is preposterously vague. While France and Germany are busy organising for the euro, in the process disavowing the UK financial community, Labour is promising a "hard-headed look at the economic practicalities." This is like John Major at his most prevaricating best. If Labour's TUC supporters and much of the CBI and City can see the virtues, why not Robin Cook? Then there is competition policy. Margaret Beckett is entirely right to shift the burden of proof to public interest in hostile takeover. But the idea of merging the OFT and Monopolies & Mergers Commission and then having a separate appeals body looks like muddy thinking. The MMC already, in respect for instance of the utilities, is already an appeals body. So why destroy it to remake it? Moreover, the institutional framework of competition oversight is less important than the role of Ministers. At present, it is the inconsistent and rampant political abuse of the process which has discredited it. But New Labour is plainly not confident enough of itself to remove competition policy from Ministerial intervention. In the area of company law there are hints at giving the best aspects of corporate governance statutory backing in a new Companies Act which hopefully would ensure that the rules are adhered to. However, there is something deeply mystical about how "voluntary codes" can be given statutory backing. In the City, Labour is plainly backing a strengthened Securities & Investment Board directly responsible for the Financial Services Act, rather than through the Treasury. This is a sensible idea. But there is no clarity on what will happen to all the mini-regulators — from Inuro to Personal Investment Authority — nor any hint as to whether it favours moving banking regulation into a separate authority. This is hardly the spirit of FDR invoked when framing the Securities & Exchange Commission, which has endured as a much admired financial regulator for six decades. On the tax front, about which Labour has sensibly maintained its silence, the new business manifesto returns to the theme of giving tax breaks to those just inside the tax net, a repeat of an idea first floated a year ago. As fascinating as the idea of two-tier capital gains tax, an idea first implemented by Republicans in the US, which gives improved tax breaks to those savers in for the long-term. This is a triangulation, on the Dick Morris/Clinton model, at its best.

High Court freezes assets of suspended fund manager

Paul Murphy, Richard Miles and Jon Henley in Helsinki

MORGAN Grenfell, the investment bank which suspended dealings in three of its leading investment funds this week, was granted a High Court injunction yesterday freezing the personal assets of Peter Young, the fund manager at the centre of an investigation into "possible irregularities". The action was taken with the Royal Bank of Scotland, which has acted as trustee to two of the three funds — the European Growth Unit Trust, the Europa Fund and the Dublin-listed European Capital Growth Fund. The suspended Mr Young, who ran the two biggest funds, was believed to be at his Buckinghamshire home last night but was not answer-

ing calls. A spokesman for Morgan Grenfell confirmed the court action, but refused to comment further. As Morgan prepared to re-start dealing in the funds this morning, speculation over the extent of Mr Young's investments in unquoted companies — particularly in Scandinavia — and an apparent delay in alarm bells going off at Morgan, continued apace.

It became clear yesterday that, in many cases, Morgan's funds exerted near-majority control over numerous unlisted companies, whose stocks made up almost a third of the funds' holdings at the end of May. The Securities and Investments Board limits a unit trust's holdings in a single company to 10 per cent — partly to prevent a fund manager from having an

undue influence on the share price. Two Swedish unquoted companies whose stock is held by the biggest MG fund, the 5778 million European Growth Trust, confirmed yesterday that Morgan Grenfell funds controlled substantial blocks of their stock. Morgan owns around 25 per cent of the four million shares issued by Gradic Wire, a

fledgling engineering company, whose managing director Sven Ekerot said Mr Young acquired the stake in August 1995. He said: "I have been telling everyone what a smart guy he is. If this had not happened, we would have been aiming for a listing within six months." Morgan also owns between 30 and 40 per cent of Sintercast, a small high-technology

company with a listing on the Stockholm bourse's junior market, the "O" register. Its finance director Paul Asserson said: "Shares owned by foreign owners are not normally registered, but in our opinion, Morgan Grenfell was a major shareholder out of our 10 main owners." Industry experts were astonished that a public warning that something was amiss by General Accident, the insurer which acted as trustee to the European Growth Fund before retiring in June, was not heeded. The trustee's "report to shareholders" issued with the trust's final report in July, clearly states that the fund was breaching the rules through its holdings in three companies — a Finnish electronics firm called Efore, a US biotechnology group Microbiotics, and Princess Resources, a Canadian mining concern.

Investors prepare to pull out of funds despite £150m cash injection

MORGAN Grenfell Asset Management is bracing itself for a wave of selling when the market opens today, despite its assurances that dealing in the three suspended funds will resume at normal prices, *writes Richard Miles*. Even after a £150 million cash injection into the

funds by Deutsche Bank, its German parent, on Tuesday, the investment manager still anticipates that up to 10 per cent of the £1.4 billion assets will be withdrawn by nervous investors during the first day's trading. Pension funds and other institutional investors will

be first in the queue, but private investors will not be far behind, according to financial advisers. But the pace of redemption will be slowed by the vast number of investments held through Personal Equity Plans. It is understood that as much as half of the biggest fund, the

£778 million European Growth Trust, is held through Peps. Peps cannot be redeemed in the same way as normal units in the funds if investors want to retain the tax privileges, but have to be transferred to another fund, considerably slowing the process.

company with a listing on the Stockholm bourse's junior market, the "O" register. Its finance director Paul Asserson said: "Shares owned by foreign owners are not normally registered, but in our opinion, Morgan Grenfell was a major shareholder out of our 10 main owners." Industry experts were astonished that a public warning that something was amiss by General Accident, the insurer which acted as trustee to the European Growth Fund before retiring in June, was not heeded. The trustee's "report to shareholders" issued with the trust's final report in July, clearly states that the fund was breaching the rules through its holdings in three companies — a Finnish electronics firm called Efore, a US biotechnology group Microbiotics, and Princess Resources, a Canadian mining concern.

Nurdin puts eggs in Booker basket

Ian King

AROUND 2,000 jobs could be in jeopardy after Nurdin & Peacock, Britain's second-biggest cash-and-carry group, yesterday agreed to a £264 million takeover bid from its larger rival Booker. Booker, which will enjoy a 38 per cent share of the cash-and-carry market once the deal is completed, said it would close 40 of the enlarged group's 213 outlets along with various duplicate head office functions. However, most of the closures are likely to be at existing Booker outlets, since Nurdin's larger sites are expected to cope more easily with the anticipated increase in business following the takeover. Announcing the deal, Booker's chief executive, Charles Bowen, refused to say how many of the combined group's 14,000 staff would find their jobs at risk, insisting that a thorough review of businesses would have to take place first. But he said that it would be "extremely pessimistic" to speculate that the number of redundancies could be in the 3,000 range. "There will certainly be redundancies, as these two businesses are very similar," he said. Mr Bowen also played down rumours that SHV Makro, the privately-owned Dutch retailing group which owns a 14

per cent stake in Nurdin, could launch a counter bid. The deal represents a substantial windfall for the Peacock family, which holds a 28 per cent stake in the company. Nurdin & Peacock began trading in 1810 selling imported French eggs, and built its reputation during the second world war, when it developed the powdered egg. However, the company has been hit heavily by increasing competition in recent years, and its reputation was badly damaged by a failed attempt to start running US-style warehouse retail 'clubs'. N & P shares jumped 7 1/2 to 201 1/2 p on news of the deal, the same level as the cash alternative, while Booker shares gained 23p to 383p.

Resignation of Olivetti's chairman lifts shares

John Glover in Milan

OLIVETTI shares soared yesterday as investors seized on the sudden resignation of its chairman, Carlo De Benedetti, as a sign that the company would revive after five years of losses. But the mood was entirely different at the company's personal computer plant in Scarmagno, near Ivrea, where 1,500 employees downed tools as fears of imminent heavy job-losses deepened. Around 6,000 jobs in the area north of Turin depend on the Olivetti plant. Union leaders announced they would call a group-wide one-day strike on Monday. Milan bourse authorities suspended trading in Olivetti shares for 45 minutes yesterday morning after they jumped almost 15 per cent to 759 lire, exceeding trading limits. They later fell back, closing just over 3 per cent up at 749. The creation of a fund of 200 billion lire (£26 million) to "accelerate the reduction of its presence in the hardware sector" has been taken to mean Olivetti plans to sell or close its PC manufacturing business — largely responsible for the losses. However, some observers warned yesterday that problems at the group run much deeper than just the PC operation.

Strike threat at NatWest

Ian King

MORE than 1,000 staff at NatWest Life, the life assurance arm of the high street bank, are to be balloted for industrial action tomorrow following a breakdown in talks between the bank and the NatWest Staff Association. The dispute centres on proposed changes to the way in which the staff, all members of NatWest's regulated sales force, would be paid. NatWest wants to introduce a system in which salaries are linked to sales targets. According to the union, the system means that if staff fail to

hit their targets, their salaries would progressively fall in stages of £2,000. A preliminary consultative ballot of members found 90 per cent in favour of a ballot for industrial action over the issue. Rory Murphy, general secretary of the NWSA, said that over 70 per cent of staff would not be able to achieve targets imposed for 1997, which could result in salary cuts of up to £4,000 a year. "Our members find the proposals totally unacceptable, and we would encourage NatWest to think again. We've had streams of people leaving over this; lots of them poached by the competition." Mr Murphy said negotia-

tions on the matter with Bristol-based NatWest Life started in February, but broke down in July. NatWest had refused to re-open negotiations, despite confusion among the workforce on what targets they were supposed to be achieving, the union said. However, a NatWest spokeswoman said the bank had agreed to re-open talks with the union, and that the rival BIFU union had already agreed to the changes. She added: "Despite a genuine desire on the part of the bank to reach a positive agreement, the NWSA does not currently feel able to give the changes its support."

New wave of sminting sends market prices through roof

By Trudi C. Ling
YESTERDAY saw some of the most extraordinary scenes

ever on the stock market floor as sminting on an unprecedented scale sent prices

piralling upwards and completely out of control. At the outset, rumours of

sminting began to filter in from Tokyo and Hong Kong. Before long, the markets were

reacting with unstoppable force, as hysterical dealers were seen throwing little blue

rectangular packs into the air and shouting "buy, buy, buy!" All dealing was finally suspended when the FTSE burst through the 10,000 barrier. Grown men wept openly on each other's shoulders as they realised they had become instant millionaires several times over. Albert E. Hait, the Governor of the World Bank tried to calm the

situation but in reality it was a futile gesture in the eye of the hurricane. The markets are due to open again as normal this morning; but can things ever be normal again after 24 hours in which the entire global financial infrastructure was well and truly sminted? It seems most unlikely.

Makes your mouth a much nicer place.



ury might
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also-ran

Tennis

Cool Graf puts all her worries aside

Stephen Blaney at Flushing Meadows

STEFFI GRAF yesterday reached the US Open semi-finals for the 11th time in 12 years. It is as if she does so by habit. Austria's Judith Wiesner, who has never reached a Grand Slam semi-final and never beaten Graf in 10 meetings, paid tribute to the German's powers of concentration. "I can't think of anyone having a more difficult time than Steffi. I am amazed anybody can shrug off all that stuff," she said. These are indeed immensely difficult times for the women's joint No. 1, whose father Peter goes on trial for tax evasion today. Graf's great strength, apart from her talent, is her ability to put her off-court problems aside. The emotions often bubble to the surface afterwards, not that her husband tries to suppress them, but she continues to love competition. It is undoubtedly a release. She has not been playing particularly well here so far, although nobody has really extended her. Clearly at odds with herself, she was shaking her head in frustration to an array of unforced errors as Wiesner, who had beaten the

"one level below as of now". What makes Henman such an exciting prospect is that he has the temperament to go with his undoubted ability. "Tim can only get better and he will," said his coach David Pelletier, a view endorsed by John McEnroe. Henman was not prepared to blame his groin injury, which needed treatment in the fourth and final set against Edberg, for the defeat. "It was sore and uncomfortable but it really did not affect me," he insisted. Those who saw Philippoussis beat Sampras in straight sets in the third round of this year's Australian Open rate it one of the most remarkable performances of the past 50 years. The Australian, who like Sampras is of Greek descent, played with such intense power and unerring accuracy that the American No. 1 was simply swamped. "When they were going in, in the second round at Wimbledon, Sampras knew exactly what to expect. His concentration was absolute and his game as tight as the strings of his racket. Philippoussis lost in straight sets, and did so again here under the floodlights. Philippoussis refused to compromise, going for winners off virtually every stroke including his second serve, which was frequently timed at more than 100mph. He will learn, just as Henman is learning and progressing. Smash and Grab, G2



Nice try... Judith Wiesner led Steffi Graf 4-3 in the first set, but to no avail OSAMU HONDA

Racing

Split ban gives Eddery green light for Leger

Chris Hawkins

PAT EDDERY will be able to ride Dushyantov in the St Leger at Doncaster on Saturday week despite picking up a two-day ban at retrospectively. In a retroactively punitive Eddery was suspended for excessive use of the whip on Eva Luna in the Galtes Stakes at the Ebor meeting two weeks ago. Fortunately for Eddery, under the rules he is allowed to split the ban, meaning he will be sidelined on the day before the St Leger and the following Monday. Eddery hit Eva Luna 14 times after turning into the straight but over her head a battle royal with Mac. It was a stirring finish and without Eddery's assistance it is doubtful if Eva Luna, who ran green, would have won. There was no question of misuse of the whip and this is another case of a jockey being penalised for trying too hard. Dushyantov is 7/2 favourite with Coral for the Leger followed at 4-1 by his great Voltigeur victim Mons. Monday's action will be in a slowly run race, creating the impression that Dushyantov might have been coming to the end of his tether although on breeding he has a fair chance of staying a mile and three-quarters being by second Slightly Dangerous. I have heard doubts expressed about the ability of Sadler's Wells (average winning distance of progeny 11.5 furlongs) to get horses that stay beyond a mile and a half. But this champion sire, who stands at £120,000 a throw, has had winners at two miles and although admittedly mainly older horses. His three-year-olds to win at 14 furlongs or farther in recent seasons have been Istabraq, Well Beloved, Jundi, Brumon and Saint Keyne. Of course there would have been more if they had been tried at such distances but it is not fashionable, nor are there comparable opportunities, to race horses beyond a mile and a half. Dettori expects to ride the 10 chances Shantou in the Leger, although he has the option of Sharaf Kabeer on whom he won the March Stakes at Goodwood. Sharaf Kabeer is a big, handsome colt but still thought to be something of a baby. Nothing much went right for Eddery at York yesterday. He failed to ride a winner after his brush with the stewards and was beaten on two favourites. One of the most impressive winners of the afternoon was Options Open in the Lawrence Batley Handicap. Lynda Ramsden has him in particularly good form at the moment and the colt had no trouble in confirming his victory of two weeks ago over Double Splendour despite being six weeks off. Options Open picked up a 7/1 penalty for the Ladbrokes 1yr Gold Cup but that is the target. He was cut from 14-1 to 10-1 by the sponsors. Another to incur a big race penalty was Jlyush who advertised his Tote Caserewitch claims with a determined victory in the Batleys Cash & Curry Handicap. Ladbroke's 16/1 shot Henry Cecil's Canon Can is the favourite at 8-1 (only 5-1 with the sponsors) having escaped a penalty for an easy win at Pontefract over two and a quarter miles on Tuesday. Canon Can has only 7st 5lb in the big Newmarket handicap, the weights being headed by the Martin Pipe-trained Daraydan with 9st 10lb. On another competitive card at York today, Arabian Story (3.40) stands out in the Sun Life of Canada Garowbury Handicap. He trotted up in the amateur rider race at Epsom and is allowed for the skill of his rider, Nils Urbano, the form looks reliable. A drop in distance can enable 2,000 Guineas second Even Top (3.10) to resume winning ways in the nine-furlong Strensall Stakes.

Golf

Monty can top the list

COLIN Montgomerie, who only ever wants to win, can relax his high standards just a tad this week. *writes David Davies in Cransley, Surrey*. The Scot, keen to be European No. 1 for the fourth successive year, can settle for second in the Canon European Masters starting here today and still knock his fiercest rival, Ian Woosnam, off the top of the Volvo rankings. Woosnam, who leads by

£68,057, has chosen not to play, even though this is one of the richest events on the tour - prize-money is £768,000 and the first prize £120,000. Woosnam's cap points are being awarded. He is saving himself for a succession of big-money tournaments, with £3 million available in prize-money this month alone. The Welshman knows that if he were to win two of the next six 73-hole events, that would practically see

him into the Ryder team for Valderrama. This year sees the 50th anniversary of the Swiss Open which is incorporated in this event. For most of its history it has been held at Crans, on a plateau high in the Alps. There have been some good winners over the years - Bobby Locke, Kel Nagle, Dai Rees, Severiano Ballesteros, Nick Price, Nick Faldo, Jose Maria Olazabal and Woosnam - and

there have also been some less-than-vintage years. Chris Moody won his only tour event here, as did Jamie Spence and Jeff Hawkey, and last year Mathias Groenbæk shook everyone, including himself, by winning. Another winner here has become a quiz question. Which player holds the record for being most under par over 73 holes on the European tour? The answer is the Canadian Jerry Anderson, who in one sublime spell in 1984 got round Crans in 27 under par. He has subsequently sunk without trace. Montgomery will start favourite this week, but he was overwhelmingly so in 1992 when he led by five shots after three rounds, meaning that a round of 70 - easily accomplished here - would have won him the title. Instead he took 71 and finished behind Spence and Anders Forsbrand.

York with form guide for the televised races

Table with 3 columns: Race Name, Horses, and Odds. Races include 2.10 Tyson Todd, 2.40 Arabian Story, 3.10 Sun Life of Canada Garowbury Handicap, 3.40 Even Top, 4.10 Zorba, 4.40 Arlington Lass, 5.10 Road Race.

Table with 3 columns: Race Name, Horses, and Odds. Races include 2.30 Brave Kris, 2.50 Rebel Crag, 3.20 Danzing Drop, 3.50 Honorable Estate, 4.20 Double Leaf, 4.50 Supreme Thought.

Salisbury runners and riders

Table with 3 columns: Race Name, Horses, and Odds. Races include 2.10 Wetherby, 2.40 Arabian Story, 3.10 Sun Life of Canada Garowbury Handicap, 3.40 Even Top, 4.10 Zorba, 4.40 Arlington Lass, 5.10 Road Race.

Salisbury runners and riders

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Plumpton (N.H.) programme

Table with 3 columns: Race Name, Horses, and Odds. Races include 2.30 Pair Of Jacks, 3.00 Kestrel, 3.30 Hareway, 4.00 Lucky Domino, 4.30 Post Oak, 5.00 Bransell List.

Plumpton (N.H.) programme

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Plumpton (N.H.) programme

Table with 3 columns: Race Name, Horses, and Odds. Races include 2.30 Pair Of Jacks, 3.00 Kestrel, 3.30 Hareway, 4.00 Lucky Domino, 4.30 Post Oak, 5.00 Bransell List.

Results

Table with 3 columns: Race Name, Winner, and Odds. Races include 2.10 Wetherby, 2.40 Arabian Story, 3.10 Sun Life of Canada Garowbury Handicap, 3.40 Even Top, 4.10 Zorba, 4.40 Arlington Lass, 5.10 Road Race.

RACELINE 0930 168+ 101 102 202 203 YGR SALISBURY PLUMPTON 103

Soccer

Martin Thorpe finds the Loftus Road club's new owner already searching for a manager after Ray Wilkins' sudden resignation

Graham and Rioch lead QPR list

GEORGE Graham and Bruce Rioch will head Queens Park Rangers' search for a replacement for Ray Wilkins after his shock resignation from the club.

"I was absolutely shocked by Ray's decision," said the Rangers chairman Chris Wright. "We tried to persuade him to stay but his mind was made up."

"Ray is a genuinely nice and caring person and his view was that for the benefit of himself and what he wants out of life, and for the benefit of QPR and what they want, it would be better for everybody if he moved on to something else. There was no hidden agenda, acrimony or recriminations or anything like that."

Wilkins said: "I've been involved in professional football for over 20 years and I can honestly say that this is the hardest situation I have ever had to deal with. I sincerely wish everyone associated with the club all the very, very best for the future."

Although Wilkins, in charge at Loftus Road for 20 months, led Rangers to relegation last season and made some poor judgments in the transfer market, the team have started this season well and on Monday night he and the board even agreed a wanted list of new players.

managers will now be targeted by Wright, the music and television entrepreneur who bought Rangers for more than £10 million a month ago. As a lifelong Rangers supporter, too, he will be looking for someone to return the club to the Premiership as soon as possible.



Wilkins... 'hardest' position. As for his future, he said: 'I'll be having some time out with my family before reaching a decision. It could be a coaching job or a return to the TV work he loved.'

Dozen face Hauge probe

TWELVE current and former employees of Arsenal in Nottingham are being questioned by Norwegian police investigating allegations of fraud against the controversial agent Rune Hauge.

Among them is George Graham, the former Arsenal manager, who recently finished a one-year FA ban for accepting irregular payments from Hauge totalling £425,000. He will be questioned about the sale of Pal Lydarsen to Arsenal in 1991, a deal brokered by Hauge.

The Norwegian police are also investigating another of Hauge's transfers, Alf Inge Haaland's move to Nottingham Forest in 1994.

Hauge has been charged, under Norwegian law, with obtaining £200,000 fraudulently from the two deals, plus tax evasion of £100,000. In pursuance of that, the Norwegian police have formally applied to the Home Office to speak to 13 witnesses in England.

He refused to name the other 10, but they are understood to be the Arsenal chairman Peter Hill-Wood, the vice-chairman Brian Clough, the chief executive Ken Friar, the former chief scout Steve Burtenshaw, the former Forest chairman Maurice Roworth, the current chairman Fred Rescher, the former manager Brian Clough, the former coach Ron Fenton, the current assistant manager Alan Hill and Haaland.

The Norwegian police have also been in discussions with the Fraud Squad in England, though the Fraud Squad said yesterday that they would consider launching their own investigation into the case only if a complaint or allegation were made.

Under international law the Home Office is unlikely to block the Norwegians' requests for interviews, but these will probably not take place until January.

The transfers being investigated have long caused concern. The FA's report into Graham's ban concluded that when negotiating with the Norwegian agent, Hauge, Graham agreed a price of £500,000 with Hauge (the player's agent) ... negotiated at figures well under half that amount [with Start].

The FA report found "wholly unconvincing" Graham's argument that the £425,000 he received from Hauge after the purchase of Lydarsen and John Jensen - from the Danish club Brøndby - was an unrepayable loan.

Liverpool weary of Collymore

STAN COLLYMORE is contemplating an uncertain future this morning despite starting last night's game at Coventry as a 'big adventure' by joining the Merseyside club from Nottingham Forest for a then British record fee of £8.5 million.

Only 14 months after embarking on what he described as a "big adventure" by joining the Merseyside club from Nottingham Forest for a then British record fee of £8.5 million, Collymore finds himself on a collision course with the club who saw fit to invest heavily in an unproven talent.

To suggest that he has never really settled in the North-west is to miss the point. Since his transfer the England international has steadily refused to move from his home in Canwick 30 or so miles south of Liverpool.

Since joining a club who have always demanded professionalism on and off the pitch, he has done precious little to endear himself to either his employers or his team-mates.

Last week Collymore, a man who is understood to pocket wages of around £15,000 a week, missed one training session after saying he had to tend to his sick mother and another because he was spending time with his seven-month-old child.

Liverpool's manager Roy Evans has now seemingly tired of the endless string of excuses and will inform him that his contract is itself a base nearer Anfield.

Although Liverpool would like to dispose of Collymore their problem is twofold. They do not have a suitable replacement, having allowed Ian Rush to join Leeds United, and they will struggle to convince any buyer that Collymore's valuation has not plunged since he left the City Ground.

Premiership: Arsenal 3, Chelsea 3. Wise makes a late point

WITH Paul Merson inspired, Arsenal recovered from going 2-0 down to Chelsea at Highbury last night to draw level midway through the second half when Martin Keown rose high at the far post to head in from Merson's cross.

Chelsea had lost Leboeuf from their defence with a back injury and the sweeper's absence made it easier for Ian Wright, only on the field for four minutes, to give Arsenal the lead 12 minutes from time when he gathered a pass from Winterburn before lobbing Kharine.

Dennis Wise then preserved Chelsea's unbeaten run, latching on to John Spencer's through-pass to hit an equaliser three minutes into injury-time.

Arsenal's second London derby in four games always promised to be a more difficult encounter than their first, against a weakened Chelsea on the opening Saturday of the season. Not only were Chelsea unbeaten, they had yet to concede a goal.

Unlike Arsenal, moreover, they were under a new manager who had actually turned up; or rather, in Gullit's case, never gone away. Arsène Wenger, on the other hand, remained just a gleam in Highbury's eye and any French influences last night were always going to come from Leboeuf. The truth of this was borne out early as the sixth minute, though not quite in the way most had imagined.

Hughes found Wise before going down under the centre-back's challenge. Lukic, his comeback for Arsenal hastened by Seaman's hamstring injury, was sent the wrong way by Leboeuf's penalty.

Arsenal and Highbury, not to mention Bould, felt hard done by. By Bould's standards the illegality of challenge had not been that blatant.

Yet as Wise just failed to put the ball on to the end of Vialli's hanging foot in the goalmouth and Di Matteo swept past Lingham in a blur of feet there was no doubting the worth of Chelsea's lead.

Merson represented Arsenal's best hope of outwitting the Italian striker in the role. After 20 minutes he threaded a shrewdly-angled pass through the Chelsea defence but Parlour's touch was already letting him down as Merson closed in smug vain Highbury bowler for a complementary penalty.

Six minutes later Bergkamp, found near the left-hand byline by Merson's lob, skimmed the ball across the face of the goalmouth, missing three straining Arsenal heads on the way. A second goal seemed likely. Chelsea scored it a minute past the half-hour.

Gathering a ball from Vialli, Burley sidestepped Merson's slide on the opening and sent the Italian striker in to the right of goal with his return pass. Vialli's shot appeared to have been saved by Lukic at the near post but the goalkeeper did not get his body behind the ball which then slipped underneath him and into the net.

Lukic did better five minutes later to deny Hughes a goal from Petrescu's cross. The goalkeeper palmed the ball out and Winterburn blocked Vialli's attempt to exploit the crossbar before bouncing on to the stroke of half-time. Hartson nodded a ball from Winterburn to Bergkamp, who then laid it off for Merson to drive a low shot into the left-hand corner.

Arsenal: Lukic; Keown, Lingham, Bould, Dunne, Parlour, Merson, Winterburn, Bergkamp, Hartson. Chelsea: Kharine; Johnson, Leboeuf, Clarke, Patterson, Barley, Di Matteo, Wise, Myers, Hughes, Vialli. Referee: K. Burge (Trompsbury).



Ball watching... Chelsea's Vialli and Arsenal's Bergkamp struggle to gain the upper hand. PHOTOGRAPH: FRANK BARON

Match Day advertisement for the first breakfast on football, on sale every Thursday.

Table with Results and Soccer sections, listing various football matches and scores.

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Dozen face Hauge probe

Rugby Union

England's elite give clubs full support

Robert Armstrong

THE English game was plunged deeper into crisis yesterday as the elite international squad pledged their support to breakaway plans by the top clubs after boycotting a scheduled Rugby Football Union training session at Bisham Abbey.

Meanwhile Kate Hoey, the Labour MP for Vauxhall and a former front-bench spokeswoman on sport, urged the Government to intervene in the bitter dispute between the clubs and Twickenham which has prompted accusations that the players are being manipulated.

The 43 players selected by the RFU to make up the England squad issued a brief statement backing the plans of English Professional Rugby Union Clubs Ltd (Epruc) to run its own league and cup competitions and generate its own revenue.

Newcastle club, said: "It is very satisfying to learn that all the players have bypassed the England session. We are all sticking together for the good of the game."

However, the aborted training session prompted a terse reaction from the RFU, which registered "disappointment" that the clubs have seen fit to use the players as a negotiating weapon.

That view was endorsed by Tim Rodber, the Northampton captain, who said: "We are being used as pawns. We would rather be playing or training but there is so much going on that this meeting is necessary to find out our position."

The six Leicester players in the squad made a point of training together before the meeting, Martin Johnson, the club's England lock, explained: "Keeping the work going is important to us. At least the Leicester boys have had a good session this morning. There was no pressure from our club to stay away from England. We made our own decisions."

There are fears that the players' boycott will continue indefinitely from those scruffy "or nearest offer" ads in newsagents' windows. Their efforts to sign a replacement for Waqar Younis evoke an image of Martin Scorsese popping down to Tooting Rep to find a substitute for De Niro or Pacino.

Sale has appointed the marketing expert Howard Thomas as chief executive in succession to Brian Wilkinson, who was dismissed on Tuesday.

Motor Racing German grudge battle looming

Alan Henry

THE stage is set for a spectacular grid match for the 1997 world championship now that Heinz-Harald Frentzen is confirmed as Damon Hill's successor at Williams next season.



Betsch... femme fatale

Mercedes sports-car days as every bit as quick as Schumacher, has spent the past three years struggling to make an impression in the cockpit of an uncompetitive Sauber. His best placing was in last year's Italian GP at Monza. This year he has twice finished fourth, in Monaco and Spain, and lies 10th in the table with six points.

FEUDS CORNER

MANSSELL v PIQUET 1986/87 NELSON PIQUET saw Nigel Mansell as a journeyman driver in as his No.2 at Williams, the Englishman regarded Piquet as a simpler

Golf British Masters News and Reports 0891 567 967

ing moaner. The edge lasted to the end of the 1987 season when both men left the team.

PROST v SENNA 1988/89 AYRTON SENNA thrived on tension and conflict at McLaren, undermining Alain Prost's position as the team favourite. Senna reneged on a no-passing deal at the 1988 Monaco Grand Prix, having the previous year tried to push him into the pit wall at Estoril. Senna rammed him off the track in Japan in 1990 after Prost's switch to Ferrari.

COUNTY CHAMPIONSHIP: DERBYSHIRE HELD UP ON THE ROAD TO THE TITLE



Snap shooting... Chris Lewis fires a short one at the Northants middle-order batsman

Surrey v Northamptonshire

Julian fills tricky foreign part

Paul Weaver at The Oval

WHEREAS some county pop along to Harrods to purchase an overseas player, Surrey have recently done their shopping from those scruffy "or nearest offer" ads in newsagents' windows.

ron Cuffy, Rudy Bryson and Carl Rackemann pulling on the famous chocolate colours. These are names that evoke mischievous titters among members, some of whom, warning to the subject, will launch into stories about Tony Gray and Dirk Tazelaar. This season, however, Surrey have made a shrewd purchase in Brendon Julian, who yesterday followed up his first-day century with six for 37, the best bowling figures of his career.

Julian took three wickets as Northants struggled to 95 for six in reply to Surrey's 395, and then, just when the visitors looked likely to avoid the follow-on, he returned to dismiss David Ripley, Curtly Ambrose and Paul Taylor.

Northants were all out for 235, 160 runs behind, but in the event Alec Stewart declined to enforce the follow-on. Montgomery had leg-gled the first delivery of Northamptonshire's innings for four but was caught at short leg next ball. Surrey, facing an inexperienced side, appeared rampant. Loye was well caught by Butcher at slip, Swann played on, Curran was bowled by a Julian inswinger, Capel played straight to gully and Sales was caught at slip. Ripley (35) and Snape (36 not out) then put on 87 in 22 overs before Julian's return.

Warwickshire v Essex

A tale of three misses as Gooch sets out to eclipse Khan

Paul Fitzpatrick at Edgbaston

WASIM KHAN was dropped off the last ball of the day on Tuesday. It was a miss which Essex were to regret for more than four hours yesterday as the left-hander made 126.

not been implemented. This was only his fourth match there, but in two of them he has made a hundred. The first represented a significant contribution to an emphatic victory over Durham. This one, though, will probably give him the greater satisfaction.

Warwickshire twice allowed Gooch to escape and they may yet rue those misses more than Essex did the escape of Khan. Ostler, at gully, failed to hold a sharp hair when the former England captain slashed at Small when on 22; and Gooch was only 38 when Muntun put down a second, easier chance.

Gooch celebrated his fortune by hitting the unlikely bowler Smith back over his head for six. The old boy, after his pottering first innings, looks as dangerous as ever.

Scoreboard

Table with 2 columns: Team, Score, Overs. Includes Hampshire, Lancashire, Nottinghamshire, Derbyshire, Warwickshire, Essex, Somerset, Gloucestershire, Gloucestershire, Gloucestershire, Gloucestershire.

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Somerset v Derbyshire

Lathwell knock jogs a few old memories

David Foot at Taunton

THERE was once a Devon schoolboy called Mark Lathwell. He was small and devoid of emotion and possessed an attractive penchant for stroking boundaries with an instinctive rapidity that reminded Tauntonians of Harold Gimblett.

against the county he had left without much apparent affection. Derbyshire's total was their highest ever against Somerset. Krikken, with 13 fours and surviving a slip chance, buzzed along for 88. Roberts, a debutant left-hander from the Bradford League, reached a half-century before departing to a leaping one-handed catch in the covers by Barry.

His initial county statistics were so impressive that, despite a refreshingly unpretentious demeanour and what some opined to be a lack of ambition, he was chosen to play for his county.

Derbyshire, in contrast, have a great deal for which to strive. Their calculations were temporarily clouded by Somerset's reply. They are, however, revealing faith in untried talent and it does not appear to be misplaced.

Lathwell, who one suspects prefers the less frantic pursuit of playing darts in his village pub, and appears to keep his cricketing aspirations in a disguised, modest perspective, scored only 737 championship runs last season and was dropped.

Derbyshire were set only 130 to secure their first home win of the season when they dismissed Middlesex for 231 in the second innings yesterday, but Tufnell had Gallian leg-before and Crawley caught after Johnson trapped Titchard leg-before. Lancashire resume on two for three.

Nottinghamshire v Leicestershire

Whitaker shows up frayed Notts

David Hopps at Trent Bridge

WHEN the heavily pregnant Jackie Johnson strolled around the boundary yesterday as her husband Paul supervised Nottinghamshire's resistance, it was difficult to determine who was bearing the weightier load.

rigorous exercise is philosophically good for him. That belief might have been abandoned in the opening overs after lunch when he was refused an appeal for a leg-side catch. Noon held the ball in mid-pitch for at least five seconds before getting on with the game, suspecting perhaps that a juggling attempt had been marked down for artistic impression.

Nottinghamshire, Sunday frivolities apart, have had a mediocre time during Johnson's first season in charge, and a limited side has done little over the first two days to suggest that they are equipped to halt Leicestershire's championship challenge.

Leicestershire's first innings has gone so according to plan that it might have been played out on a computer. The pitch remained sluggish but reliable. Wells and Whitaker made vigilant hundreds, and at 341 for five at the close they held a lead of 17.

Table with 2 columns: Team, Score, Overs. Includes Nottinghamshire, Leicestershire, Warwickshire, Essex, Somerset, Gloucestershire, Gloucestershire, Gloucestershire, Gloucestershire.

Cricket News and Scores 0891 22 88 + Counties update Derbyshire 31 Middlesex 40

Graf through to semi-finals, page 13
Hauge inquiry moves to Britain, page 14

Wilkins walks out on QPR, page 14
England teams backs rebel clubs, page 15

SportsGuardian

KEEGAN'S MEN GIVE SUNDERLAND A GOAL START AND COME AWAY WITH A WIN

Premiership: Sunderland 1, Newcastle 2

Ferdinand leads the Newcastle fightback

Michael Walker

THE last-ever Tyne & Wear League Derby to be played at Roker Park ended in despair for the Rovers last night. They saw their side take an early lead against an apparently feeble Newcastle side only for those arch-rivals to summon the spirit of old in the second half.

Peter Beardsley and Les Ferdinand led a dramatic fightback with goals that cancelled Scott's penalty and ended Sunderland's unbeaten run.

Bite as well as brilliance was Kevin Keegan's rallying call and he brought in Peacock to supply the former in place of Albert, the elegant Belgian. The Newcastle manager also relegated Asprilla to the bench, preferring the more traditional virtues of Beardsley to those of the flamboyant Colombian.

Newcastle fans may have been banned from the first meeting of the clubs in more than three years, but a wall of noise was nevertheless heard from the Fulwell End. Bite was the most necessary requirement of a predictably

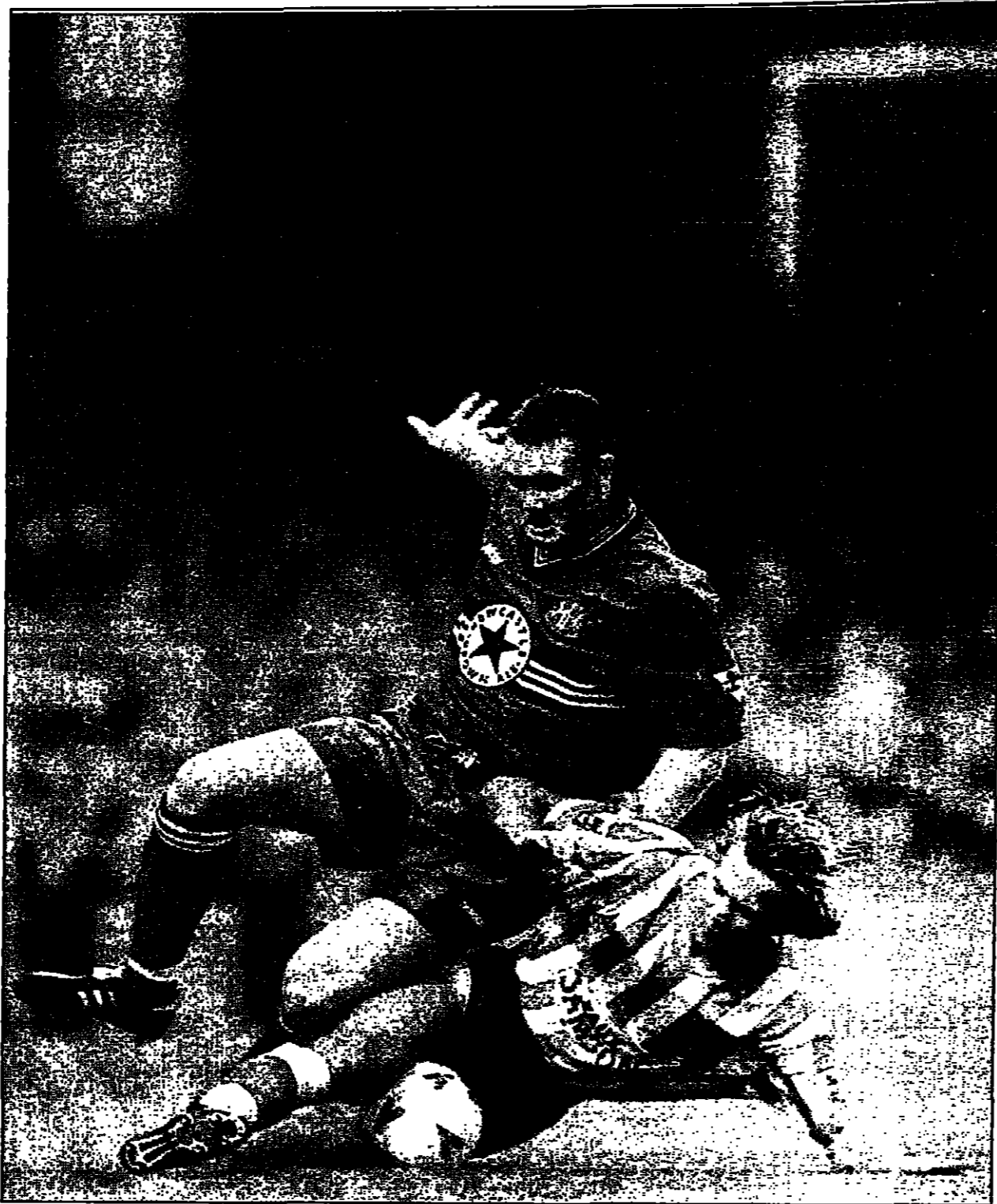
frantic opening, but there was still room for moments of good football, particularly from the home side.

The Sunderland back four were neat in possession while Ball and Bracewell were hungry but comfortable in midfield. A series of red attacks flowed towards Srinieck's goal, and it took less than 20 minutes for Newcastle's rearranged defence to succumb to the persistent pressure.

Keegan had brought back Peacock to combat Niall Quinn's height, but the danger came from what is known as "old-fashioned wing play". Wing-backs are all the rage, and when the best are talked about Steve Agnew's name rarely gets a mention, but when he collected Ball's pass in the 19th minute he knew the script word for word.

Running at the exposed Elliott, Agnew dropped his left shoulder, angled right and was clipped on the way. Penalty. There was no arguing with the decision, nor with the penalty kick, rammed home in emphatic style by Sunderland's talented left-back Martin Scott.

Newcastle had barely got going and on the sporadic occasions they did threaten they



Total commitment... Newcastle's Watson tussles with Gray of Sunderland for a midfield ball. PHOTOGRAPH BY MICHAEL STEELE

appeared to run out of imagination early. Ginola frequently ran past a defender

only to double back, and as a result Shearer and Ferdinand were almost unemployable. More significantly Newcastle were losing the majority of one-on-one situations, and the Roker men had chances to extend their lead when Stewart hit a post and Gray cracked a shot straight at Srinieck.

Someone must have had a word with Ginola at half-time about his profligate approach work, because the Frenchman was immediately more direct after the interval and Newcastle were now galvanised.

The Frenchman's high cross found Ferdinand at the far post but the England striker was penalised for a foul as he challenged the goalkeeper Tony Coton. Six minutes later Ferdinand took a leaf from Ginola's book. He zipped past

a clutch of red shirts and showed Velcro-tight control before crossing to Beardsley, whose header looped slowly into the net. The ball sailed in as if in slow motion but it crept in all the same.

The visitors had rediscovered their menace and 10 minutes later they were deservedly ahead. Ferdinand was again the key, this time reaching Ginola's fizzing corner kick to score from 10 yards with the most decisive of flying headers. The corner had been conceded after a mistake by Ord and it was the tenacity of Shearer that had caused it.

Sunderland: Coton, Kubicki, Ball, Melville, Ord, Scott, Bracewell, Gray, Stewart, Agnew, Quinn, Newcastle: Srinieck, Watson, Peacock, Howe, Elliott, Beardsley, Batty, Lee, Ginola, Shearer, Ferdinand. Referee: J. Winter (Worcestershire).

Strike threats nothing new under the sun



Frank Keating

ENGLAND players going on strike and refusing to train for their country? Bolshevism in sport? Dammit, whatever next? As usual there is nothing new under the sun.

The rugby union squad's solidarity was mighty impressive when the England manager Jack Rowell and his coaches turned up yesterday and found they had only Bisham Abbey's flowerbeds to line up and shout at. The strike by the England cricket team was far less solid.

It happened almost a century ago, so although the rugby boys may feel militantly defiant this morning they are way off the pace.

On the morning of England's final Test against Australia on August 10 1886, the Keating throw has been shoehorned in. But before the teams had changed in the professionals' room at The Oval, almost half the side offered the MCC and the selectors an ultimatum: double their £10 match fee to £20 or they would not take the field.

The strike threat came from five true greats: four Surrey players, Bobby Abel, Tom Richardson, Tom Hayward and George Lohmann, and Nottinghamshire's William Gunn, uncle of John and George and co-founder of the bat-making firm.

The legendary sporting mandarin and Surrey secretary was Charles Alcock and what career threats — or financial inducement — he offered to three of his men can only be imagined, but Abel, Richardson and Hayward finally agreed to take the field.

Lohmann and Gunn stood their ground. Lohmann, one of England's finest bowlers, never played a Test match again. Gunn played only once more — three years later when Nottinghamshire insisted that the local hero play in the 1895 Test at Trent Bridge for "gate" necessities.

The five rebels had pointed out that their allegedly amateur captain, Dr W G Grace, was earning more than £20 for the match. Grace just sneered at them and strode out to bat. But a more sensitive amateur, A E Stoddart — also a rugby international, as it happens —

knew he was earning good money from the game and, embarrassed, withdrew that morning in a sort of solidarity, suddenly developing a "streaming cold".

Alcock combined his summer job at The Oval with the secretaryship of the Football Association. So his autocracy was practised by the times League soccer's fledgling Players' Union threatened to strike in 1908. That was about money too, but also about the feudal retain-and-transfer system. The strike failed when only 45 players dared vote for it after the clubs and the FA threatened life bans.

Two legendary players of their time, Charlie Roberts and Billy Meredith, had tried to inspire it and when it failed Roberts wrote: "I know of no class of workpeople who are less able to look after themselves than footballers. They are like a lot of sheep. They do not see the way to stand out for those in need of help. He is a wretched, miserable fool who cannot see what is good for himself and the working man of Great Britain."

IT WAS more than half a century before another strike call — by Jimmy Hill of the Professional Footballers' Association.

It allowed some semblance of sense and fairness into professional soccer. Rugby union's action must be seen as necessary as well as sound in principle; the workers are making sure of their clout and muscling in first with their retaliation. If they didn't it might take a century to start out.

Wimbledon had its tennis strike a quarter of a century ago. It ensured not only an English semi-finalist in Roger Taylor but a new breed of non-shamateur cannon-fodder millionaires. Grand prix motor racers were already the latter; their occasional threats of withholding labour have been on the ground of track safety.

What may niggle at the England rugby squad this morning is that yesterday's revolution may allow Twickenham to pick a new team of non-signatories to the coup. Just as Packer's rebels let in Botham, Gower, Gooch and Gatting.

Just as, at The Oval in 1886, Lohmann's action let in J T Hearne to take 10 wickets. And, in Gunn's place, Hampshire's Indian Army captain E G Wynard; he batted at No. 7 and made 10 and three.

By all accounts his Raj susceptibilities were strained when the Indian Prince Ranji leaped across to share his grapes at lunch. It was Wynard's solitary home Test.

Robert Armstrong, page 15

BECKSENTRICS
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PLAYING BY THEIR OWN RULES

Guardian Crossword No 20,750
Set by Janus

Across

- Lands one with cat-food (7)
- Where intellect is needed to grasp information Technology (7)
- Fixed stake over volcano (4)
- Unreasonable share in rail flotation (10)
- Got to include one by this artist! (6)
- Where planes may land to find bearings on voyage (2-6)
- Short on capital for car accessory (9)
- Departure from course conditions (5)
- Deviation from the normal play (5)
- Engages the attention of those standing to gain (9)
- Inclination to write music (8)
- Author having a go at verse (6)

Down

- Window in the French upper room (7)
- General allowance (5)
- Where to come a cropper over oil (7)
- Going round to the club perhaps (6)
- Engine to show how tote works? (3-6)
- One who might well take over first class in Latin? (7)
- Equipment for divers about to engage in ablutions underground (9,4)

15 Guides for film-makers (9)
18 Go first or quietly draw back (7)
20 Lays bare former attitudes (7)
21 Row involving caterer (7)
22 Stout female's parent (6)
25 Run for late edition (5)

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